

## **The complaint**

Mr T complains that Legal and General Assurance Society Limited ('L&G') took an unreasonable amount of time to remove the joint policyholder from his protection policy. He feels the £300 that L&G has offered to resolve the matter is derisory and does not adequately compensate him for the upset and inconvenience he has been caused.

## **What happened**

Mr T held a joint protection policy with his wife, offering life and critical illness cover with L&G. They took this out in 2018 through an independent financial adviser ('IFA'). It had a ten-year term and a £69.69 monthly premium.

In November 2020, the IFA called L&G and asked it to remove Mrs T from the policy and quote for Mr T going forwards as the sole life assured for the remaining policy term.

In March 2021, Mr T complained. He said he had spent the last few months making many unsuccessful calls to L&G to try to find out what was happening with the policy. Some of the calls were not returned and others were subject to long telephone queues.

On 22 July 2021, L&G upheld the complaint. It said it had not heard back from the IFA in November 2020 after it sent the quote for the amended policy premium of £47.09. However, it accepted that its actions from March 2021 to setting up the new cover in July 2021 had fallen short of its service standards.

It explained that it accepted one of its call handlers had incorrectly closed the complaint in April 2021, though that same adviser had told Mr T within two days that the closure letter was sent in error. L&G also noted that in June 2021, it had told Mr T that the IFA had made a further request for the removal of Mrs T, when this hadn't happened.

Since it had now received the right authority, L&G told Mr T that it had removed Mrs T from the existing policy and issued him a new policy number. It confirmed his new policy premium of £47.09 would be collected on 31 July 2021 and thereafter on the 12<sup>th</sup> of each month.

It offered to send Mr T £300 for the impact of the errors and trouble he had suffered when trying to get the policy amended as required. It said if it did not hear otherwise, it would send Mr T the payment after 5 August 2021.

In January 2022, Mr T brought the complaint to this service. He said he felt L&G had behaved appallingly and its actions had caused a detrimental effect to his wellbeing. He believed that he and Mrs T had overpaid unnecessarily; the amendment could have been processed sooner than it was, and therefore the premium would have reduced earlier.

Mr T also said that he had taken a 200-mile round trip to get his wife's signed consent to remove her from the policy, but was then told by L&G this could be done via telephone.

An investigator reviewed the complaint, but did not think L&G should do anything further. He believed the £300 offer was a fair proposal for the upset Mr T had been caused.

He also noted that though Mr T had decided to drive to collect Mrs T's authority, L&G had told him on 1 April 2021 that Mrs T could call or contact it herself. So, he did not think L&G should be further liable for compensating Mr T. Nor did he agree the matter had been prolonged once Mrs T's authority was sought – so he didn't think a premium refund was due.

Mr T did not accept the view of our investigator. He said, in summary that:

- he wholeheartedly disagreed with the outcome reached;
- he remains of the view that L&G's appalling customer service and behaviour meant that he had overpaid premiums for six months;
- the whole episode dragged on because L&G failed to reply to emails, call backs, social media requests and other efforts – and when it did do so, wrong information was given;
- he said he had to take time off work to deal with the misinformation;
- the IFA hadn't contacted L&G since November 2020 yet L&G said it had in June 2021;
- it also wrongly closed the complaint;
- L&G has more sophisticated systems for retaining communications so it has unfairly persuaded the investigator to find in its favour;
- on three occasions (29 March 2021, 7 April 2021 and 26 April 2021) he put email requests to L&G on its secure portal which bounced back a reply saying it would "*aim to respond within three days*" but no replies were issued;
- so, whilst telephone lines may be busy, email response times failed;
- it was only when using social media messaging that L&G sorted matters out;
- he wants the complaint to be reviewed afresh by an ombudsman.

Our investigator was not minded to change his view. Whilst he understood things were frustrating for Mr T, he did not believe the delays began in November such that Mr T should be refunded premiums from that time. Further, in April 2021, L&G did provide responses to emails from Mr T. He did agree that the requirement for Mr T's authority as well as Mrs T's hadn't been made clear and L&G had made other administrative errors for which compensation was appropriate; but he felt the proposal of £300 was a fair amount to award.

Mr T said he still wanted his additional comments to be reviewed by an ombudsman. L&G confirmed it had nothing else to add. The complaint has now been passed to me.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I know that this matter has been upsetting for Mr T and I do appreciate the vulnerabilities he has highlighted. I do not intend to make matters worse for him, but I also won't be addressing every individual submission he has made. Nor will I be providing my findings on that basis. I am not required to comment on each point or make the specific determinations as to the administrative failings of L&G. However, I can assure Mr T that I have reviewed all of the evidence on file.

The Financial Ombudsman Service provides informal dispute resolution. My remit is to make findings on what I believe to be fair and reasonable to both parties in the circumstances, and this does not follow a prescribed format. Instead, I will set out my reasons for my findings on what I consider are the central issues in this complaint, based on the evidence before me.

Having looked at everything, I also believe this complaint should be upheld on the basis that a payment should be made to Mr T for the trouble and inconvenience he has been caused by L&G. And I am also of the view that the proposed sum of £300 is reasonable in all of the circumstances. I do not otherwise agree that the complaint should succeed.

I can see that Mr T feels very strongly that the policy amendment process has been unduly and unreasonably prolonged by L&G. Whilst Mr T is entitled to form his own view on what has gone on, I must also do the same. And from an objective standpoint, I do accept L&G should have done more in the period from March 2021 onwards.

I do not, however, agree that Mr T has overpaid premiums for the period December 2020 to June 2021. Though Mr T was unable to make successful contact with L&G in the period up to 29 March 2022, L&G had not done anything wrong up to that time in prolonging matters.

It had responded to the IFA's request to quote for a new premium on the basis of a manual amendment to remove Mrs T from the policy. It had supplied that quote of £47.09 for sole cover by return but heard nothing back from the IFA. Mr T accepted this as he knows the IFA did not contact L&G again, because L&G mistakenly revisited the quote in June 2021 based on a system error.

The issues for which Mr T has been caused upset occurred in the main from March 2021 to July 2021. When Mr T emailed his complaint on 29 March 2021, L&G called him two days later to apologise for the waiting times on its telephone lines. Another call was made to Mr T the following day, 1 April 2021, because the previous call handler did not work in the relevant department to assist with the change to the policy.

In that call, it was explained to Mr T that Mrs T could call or email L&G and supply her signed form of acceptance ('FOA') in respect of confirming she was wishing to be removed from the policy. I see nothing wrong with this, as L&G will require both parties on a joint policy to consent to any notable amendments as a means to ensuring that one person does not lose valuable cover in error.

However, matters were confused by L&G on a further call on 26 April 2021. The call handler mistakenly closed the complaint after he had given Mr T a postal address to send the FOA (by this time, he had visited Mrs T at the different address and obtained the authority).

Then on 14 June 2021, Mr T was wrongly told the IFA had been in touch with L&G when that wasn't the case. In fact, it had received Mrs T's signed FOA on 27 May 2021 and all that was outstanding was Mr T's consent for the policy change. However, on 16 June 2021, L&G emailed Mr T back and explained the consent was awaited and that it could be granted by email. So, by this time, it had identified its mistake and resolved matters swiftly.

Mr T then used social media messaging on 28 and 29 June 2021 to say he hadn't received a further update. This query along with three other points of concern emailed by Mr T on 9 July 2021 were answered by L&G in its final response letter of 22 July 2021.

In summary, L&G wasn't in a position to make any policy changes until June 2021 when Mr T supplied confirmed consent following receipt of Mrs T's signed FOA at the end of May 2021. As it made the required amendment the following month and refunded the one monthly joint premium which was overpaid, it did not financially disadvantage Mr T.

But, it is clear from the evidence that L&G's actions (and inactions) were misleading and confusing for him—because he had tried many different routes to contact L&G and this had the reverse effect of making the service even less streamlined, because different departments were then looking at aspects of his complaint. When the mistakes in closing the

complaint and wrongly mentioning the IFA quote which expired many months before occurred, this led Mr T to become entirely disillusioned with L&G. I agree that some compensation was due for the mistakes which L&G accepts should not have happened.

### **Putting things right**

What this service does is consider if a business has treated a customer unfairly because of actions or inactions. And if it has done so, we then go on to consider what ought to be done to put the mistake(s) right. In this case, that was to have the policy amendment completed by L&G within a reasonable period - once it had appropriate authority from the parties to do so.

Though Mr T contends otherwise, I do not believe L&G should compensate him for the time and cost of travelling to see Mrs T who was based elsewhere for care reasons. Nor do I think it should be accounting for time Mr T took off work relating to the complaint (though I've not seen evidence of this). Though it was a choice he made, I can see that L&G told Mr T on 1 April 2021 of the steps to make the change he required – and so he would have known Mrs T could contact L&G herself directly. Likewise, Mr T taking time off to undertake administrative policy changes with L&G is not something this service would reimburse.

L&G returned the overpaid premium of £69.69 to Mr T in September 2021. It otherwise had correctly taken the new single policy premium of £47.09 from July 2022 onwards. That Mr T indicated he may cancel his cover going forwards was also matter of his choosing. I do not find L&G liable for that.

As well as putting right any financial losses in a complaint (though there are none in this circumstance), we also consider the emotional or practical impact of any errors on a complainant – in this case, Mr T. In doing so, we do not fine or punish businesses; we are not a regulator, that duty falls to the Financial Conduct Authority.

I can see that our investigator has directed Mr T to the guidance available on our website around the amounts and types of awards made in instances of upset, trouble, inconvenience and distress caused by businesses in the complaints we see at this service.

Taking into account the cumulative impact of the various mistakes L&G has made, I believe the total compensation of £300 was reasonable in the circumstances where its compounding of errors leading to the delay in confirming the required policy change caused considerable inconvenience and concern for Mr T. This took some months to resolve in total and it had a notable short-term impact on him. The amount of £300 is within the range of awards I believe appropriate for combined errors of this nature and I do not make any other award.

### **My final decision**

I uphold this complaint insofar as I agree that the offer Legal and General Assurance Society Limited has made to Mr T of £300 is an appropriate award in the circumstances of the upset he has been caused when seeking to remove his wife from their joint protection policy. I believe this payment has already been sent to Mr T in August 2021 – but if this is not the case, that L&G will otherwise forward it to him without any further delay.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 16 January 2023.

Jo Storey  
**Ombudsman**