

## **The complaint**

Mrs T is unhappy with the service she received from Post Office Management Services Limited.

## **What happened**

Mrs T contacted Post Office by phone in February 2023 to get a quote for a travel insurance policy. She took out a policy during the phone call. Mrs T contacted Post Office again by phone and asked for the policy documents to be sent to her by post.

She received a document through the post and contacted Post Office again as she felt the policy had been sold under false pretences. This was because the document that she had received said, under 'What's Insured?' that there was 'cover for accidental bodily injury which within 12 months causes your death (up to age 65) or loss of limb, loss of sight or permanent total disablement'. Mrs T said that this was discriminatory, and she'd been sold a policy which didn't apply to her. Post Office cancelled the policy and issued a refund. Mrs T asked to raise a complaint and was directed to make a complaint online. Mrs T contacted Post Office again by phone to make a complaint. There was a lengthy discussion about the document Mrs T had and the information that the Post Office had. A complaint was logged.

Post Office issued a final response letter and awarded Mrs T £20 compensation and 20% off a new policy. They said Mrs T hadn't asked for a copy of the documents by post in the sales call and clarified the personal accident cover available for people over the age of 65. They acknowledged the poor service Mrs T had received during some of the phone calls. Unhappy, Mrs T complained to the Financial Ombudsman Service.

Our investigator looked into what had happened and partly upheld the complaint. He didn't think the policy was mis-sold or that Mrs T had been discriminated against by Post Office. However, he did think Mrs T had received poor customer service and awarded a total of £100 compensation.

Post Office accepted the investigator's findings. Mrs T didn't agree and asked an ombudsman to review her complaint. She said, in summary, she wasn't informed about having a different pay out if she died and the booklet which had all of the hidden details wasn't sent to her. She said she didn't think the policy should be different for people over 60 and that it wasn't acceptable for customers to not to be made aware of this important point.

## **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'm aware that Mrs T asked to speak to the ombudsman who makes the decision about her complaint. The Financial Ombudsman Service is an informal dispute resolution service and I'm satisfied that I have enough information to reach a fair and reasonable outcome.

I'm partially upholding Mrs T's complaint and directing Post Office to pay a total of £100

compensation. But I'm not directing Post Office to do anything more to put things right. I'll explain why.

### Customer service

Mrs T was asked during the sales call whether she was happy for Post Office to email the policy confirmation to her. She confirmed that she was. Towards the end of the call she was told she'd receive a link to register and gain access to the policy documents by email and within four hours. So, I don't think it was unreasonable that Post Office didn't send her the documents by post following the initial sales call.

However, Post Office should have sent Mrs T the policy booklet when she contacted them to ask more questions about the policy about a week after she'd taken it out. It appears most likely Mrs T was sent some information, which included, the Insurance Product Information Document (IPID) but not the booklet which contains the full terms and conditions. I think she should have been sent the full policy booklet as well, but this was, most likely, human error. Unfortunately, this led to significant confusion when she later raised a complaint.

The service Mrs T received during some of the calls was poor. For example, her complaint was not logged over the phone when she first said she wanted to make a complaint. And, at times, the various customer service representatives were impatient and curt with her. So, I don't think she received a good service throughout her dealings with Post Office.

### The mis-sale of the policy and the policy documentation

Post Office didn't give Mrs T advice about whether the policy was suitable for her demands and needs. So, the relevant rules and industry guidelines say, in summary, that Post Office had a responsibility to give her enough information about the policy to decide if it was right for her. That includes giving her information which was clear, fair and not misleading.

Mrs T wasn't told about the limitations of the personal accident and death cover during the sales call. But she didn't ask about personal accident cover or suggest that was particularly important to her. During the call she talked about the baggage cover, gadget cover and explained what she was looking to cover for her trip, for example a boat trip she was planning to go on. So, I think she had the opportunity to discuss this if it was something that she felt was particularly important to her.

I don't think the policy term Mrs T complains about is particularly unusual. So, it's not something I'd typically expect Post Office to draw to Mrs T's attention during a sales call unless she expressed a particular interest in or concern about that aspect of cover. I appreciate Mrs T has since identified travel insurers who offer higher levels of personal accident cover and death benefits to policyholders who are over 60 or 65. But, that doesn't mean the policy has been mis-sold as it's not uncommon for policies to contain such limitations. I'll go on to address Mrs T's concerns about discrimination below.

Mrs T feels she was sold the policy under false pretences and that the document she received was different to what she agreed to over the phone. I don't agree that's the case as there was no discussion about personal accident cover during the call.

Mrs T was later sent, by post, the IPID. This isn't the full policy document but is designed to summarise information including the main risks insured, the insured sum and excluded risks. It's a document which Post Office is required to issue when it sells a policy, alongside the full terms and conditions. But the IPID is designed to be read with the full policy terms, details of which Mrs T had been initially sent by email, but which were not sent to her by post. The full policy terms explained in more detail the limitations on benefits for policyholders over the age of 65.

In my view, this created the impression when Mrs T raised her complaint, that there was a discrepancy between the information Mrs T was looking at in the IPID and the information Post Office were looking at in the full policy document. I don't think there was any such discrepancy or hidden details as Mrs T suggests. I think there was more likely confusion because Mrs T was looking at the IPID, not the full policy wording. It was unhelpful that Post Office didn't identify what document she was looking at, despite her naming it during the call and that it failed to send her the full policy booklet alongside the IPID.

I don't think the policy booklet contained hidden details. I'm satisfied the policy booklet contained the full terms which are summarised in the IPID. Mrs T explained in the call that she thought the information about the personal accident cover should be set out in the 'What is not insured?' column. I don't agree as I think it's adequately clear that there's a limitation on the benefit for policyholders over 65 even though it appears in the 'What's insured?' column as opposed to the 'What's not insured?' column.

In fact, in this case, the IPID performed its core function as Mrs T was immediately able to identify that the policy wasn't right for her because she wanted a different level of personal accident and/or death benefits from her travel insurance. So, even if I thought that the policy was mis-sold during the call, the IPID did provide her with enough information to decide if the policy was right for her. That's what it is designed to do, and I don't think it means Mrs T received a document she didn't agree to, a false document or that the IPID disagreed with the full policy terms.

Furthermore, even if I accepted the policy was mis-sold, I think Post Office has done enough to put things right here. When Mrs T said she was unhappy with the level of cover, they cancelled it and issued a full refund. That's what I'd expect them to do in such circumstances.

I appreciate that Mrs T feels strongly that the policy documentation and sales process should be changed and that she's now contacted Post Office's Chief Executive Officer about this matter. But my role is to decide what is fair and reasonable in the individual circumstances of this complaint.

### Discrimination

Post Office is responsible for the sale of the policy. But it doesn't decide what the insured risks or insured sums under the policy are. That's the responsibility of the insurer who underwrites the policy. If Mrs T has continued concerns about this issue, she'll need to raise them with the underwriter of the policy as our investigator explained.

However, I have still thought about whether Post Office has discriminated against Mrs T given the problems she's experienced. I can understand why Mrs T feels this way but having looked at all the evidence I don't think Post Office has done so. Nor do I think Post Office has acted unfairly or unreasonably. I hope that it helps Mrs T to know that someone impartial and independent has looked into her concerns.

### **Putting things right**

I think Mrs T was caused distress and inconvenience due to the poor service she received from the Post Office in phone calls and by their failure to send her the policy booklet. I also think it caused avoidable confusion.

But, Mrs T was able to promptly cancel the policy when she knew the level of cover wasn't what she wanted and she's received a refund. So, I think a total of £100 compensation fairly reflects the distress and inconvenience caused to her during this period of about two weeks.

### **My final decision**

I'm partially upholding Mrs T's complaint about Post Office Management Services Limited and direct them to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 18 September 2023.

Anna Wilshaw  
**Ombudsman**