

The complaint

Mr W has complained that Trent-Services (Administration) Limited didn't make him aware of changes to his accident, sickness and unemployment policy.

What happened

When Mr W went to make a claim on his policy he became aware that the cover it offered had changed, and that it no longer covered accident and sickness, only unemployment cover.

Our investigator was satisfied that Trent had advised Mr W of changes to his policy and so didn't recommend that his complaint was upheld.

Mr W appealed. He said that he didn't receive the letters, nor was he asked to sign anything. He felt that he had been paying for something he didn't need.

As no agreement was reached the matter was passed to me to determine. I issued a provisional decision as I reached a different conclusion to our investigator; I was minded to uphold the complaint in part.

I said as follows:

Trent administered Mr W's policy. It sent him a letter on 1 August 2021 advising of the change to his policy. The letter said:

What is changing on my policy?

At the same time as changing the insurer of your policy, there will be some changes to your cover. The terms and conditions of your new policy are detailed in full within the enclosed policy wording. We urge you to read this information to remind yourself about the details of the cover. In summary the changes are:

- **Accident & Sickness cover has been removed from your policy and you now only have Unemployment cover from 16/09/2021**

The letter then went on to advise what the policyholder needed to do next. It explained that if they were happy with the changes, they didn't need to take any action but gave both telephone number and email addresses if the policyholder was unhappy. Trent said that it may be able to assist with alternative insurance. I find that the letter was clear, fair and not misleading. It explained in a clear manner that accident and sickness cover were being removed. Trent wasn't required to ask Mr W to sign to agree to the change. I note that the policy document and Insurance Product Information Document were also sent at this time.

However the policy states, under general conditions:

*(b) No alterations, variations, or relaxation of any of the terms of this Policy can be made except in writing by one or more of Our authorised officials and **never less than two***

months prior to renewal. (my emphasis)

Trent wrote again to Mr W in August 2022 and August 2023 to confirm renewal of the policy. Both these renewal documents showed that Mr W's policy was now unemployment only cover.

I'm satisfied that all letters were sent to the same address, which is also the address that Mr W gave to this service. Trent has said that no letters were returned as undelivered by Royal Mail. I haven't disregarded Mr W's evidence that he didn't receive the letters, but in all the circumstances I find it more likely than not that the letters were sent.

Trent was responsible for providing Mr W with information regarding his policy, I'm not persuaded it failed in its duty to do so here. But the policy terms specifically state that no alterations will be made except in writing... and never less than two months prior to renewal.

Mr W's renewal was 15 September 2021, and the letter advising him of the change was sent on 1 August 2021, by second class post. The letter was advising a significant change to Mr W's cover. In accordance with the policy terms he should have been given two months' notice, at least, but he was given approximately two weeks less than that.

As Mr W says he didn't receive this letter or the later renewal letters, I can't say for sure if this would have made any difference. But there is a possibility it might have. Mr W may have received a letter sent in accordance with the policy requirements. He may have then looked for alternative cover or decided not to continue with the reduced cover. So I find it possible that he missed this opportunity.

Mr W has had the benefit of the reduced cover, so I don't find that he is entitled to a sum equivalent to the premiums he has paid. But I find that compensation is due to Mr W for the lack of notice and the possible consequence of this. In the circumstances I find that £150 is fair and reasonable.

My provisional decision was that I was minded to require Trent-Services (Administration) Limited to pay Mr W £150 in compensation. I said I'd look at any more comments and evidence that I received, but unless that information changed my mind, my final decision was likely to be along the lines of my provisional decision.

Mr W didn't agree with my provisional findings. He said that if Trent wanted to make sure that he received the letter (advising changes) it should have been sent by recorded mail or emailed. Mr W was also concerned that accident and sickness cover was now being provided.

Trent advised that it had paid Mr W £150. It said that cover wasn't provided by *his* insurer, he had referred to a different product provided by a different insurer. His insurer didn't have a licence, and still don't.

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've taken note of Mr W's representations, but these are not new and were addressed in my provisional decision. I'm satisfied that the correspondence was sent and to the correct address. So I'm not persuaded to change my provisional findings, which I adopt here.

With regard to cover now being offered by a different insurer, this was not part of the

complaint made and which I considered, so I make no specific finding here.

My final decision

My final decision is that I require Trent-Services (Administration) Limited to pay Mr W £150 in compensation, if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 23 July 2024.

Lindsey Woloski
Ombudsman