

The complaint

Ms Q has complained that Bank of Ireland (UK) Plc trading as Post Office Financial Services mis-sold her an over 50's life cover plan.

What happened

Ms Q took out over 50's life cover on a non-advised basis in 2013. It pays a guaranteed sum on death. Her intention was for the plan to cover her funeral costs. She chose to pay £15 per month. In 2023 she complained about the sale – she felt that she was locked into an unfavourable policy. Bank of Ireland didn't uphold the complaint – it said that the literature was clear.

Ms Q referred her complaint here. Our investigator didn't find that Bank of Ireland had done anything wrong. Ms Q appealed. Ms Q is represented but for simplicity I will just refer to Ms Q, rather than her representative.

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 I've summarised the background to this complaint - no discourtesy is intended by this. Instead, I've focused on what I find are the key issues here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. I recognise that Ms Q will be very disappointed my decision but for the following reasons I agree with the conclusion reached by our investigator:

- I'm satisfied that the plan was sold on a non-advised basis. The plan offered guaranteed acceptance with medical underwriting.
- The relevant regulations provide that Bank of Ireland had to pay due regard to the interests of its customers and treat them fairly. It had to provide enough information to ensure the consumer is able to make an informed decision about whether to take the insurance out or not. So I've looked very carefully at all the documentation and submissions to see whether the policy sold was suitable for Ms Q.
- Ms Q was provided with a leaflet which clearly explained that the fixed lump sum paid out could be less than the total amount paid in premiums and inflation would reduce the value of what the fixed lump sum could buy in the future. So I don't agree it wasn't made clear to Ms Q that the policy wouldn't yield in line with inflation, or that she might pay in more than the guaranteed benefit. The document also explained that the plan had no cash in value at any time. I find that the documentation Ms Q was provided with was clear, fair and not misleading. It would have enabled her to decide whether to take the plan out or not. And she was also given cancellation rights should she change her mind.

- I do understand that Ms C had a lot going on in her life at the time and has had ongoing difficulties and traumas, including a severe attack and the sad loss of her daughter. It was only in 2023 that she complained about the sale of the policy and made the point that she doesn't think it will provide full cover when it will be needed.
- As this was a non-advised sale, and sufficient plan documentation was provided that made clear the nature and operation of the plan, I'm not persuaded the plan was mis-sold. Whilst I'm sorry that my decision doesn't bring Ms Q welcome news, I'm unable to require Bank of Ireland to do anything because I don't find it treated her unfairly, unreasonably or did anything wrong in relation to the sale of the plan.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms Q to accept or reject my decision before 8 October 2024.

Lindsey Woloski
Ombudsman