

## **The complaint**

Mr and Mrs F have raised concerns that they ended up paying for two (joint) life insurance policies and two (joint) critical illness insurance policies after Connells Limited provided them with advice about their insurance protection requirements when they were re-mortgaging their property in 2019.

## **What happened**

Connells recommended Mr and Mrs F to take out joint life and critical illness cover in 2019 and they ended up with a joint life insurance policy and a joint critical illness policy ('the policies').

Mr and Mrs F say they already had cover in place for life and critical illness, taken out through Connells in 2014, when taking out their mortgage. They say they thought Connells would cancel those existing policies when taking out the policies in 2019. However, they ended up paying for four policies which provided more cover than they needed.

Mr and Mrs F complained to Connells and after it didn't uphold their complaint, they brought a complaint to the Financial Ombudsman Service.

Our investigator didn't uphold their complaint. Mr and Mrs F disagreed and raised points in reply. These didn't change our investigator's opinion so this complaint has now been passed to me to consider everything afresh to decide.

## **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.

Connells recommended the policies to Mr and Mrs F in 2019 so it had an obligation to ensure that the policies were suitable for their needs, and it had to give Mr and Mrs F clear, fair and not misleading information about the key features of the policies.

The crux of this complaint is that Mr and Mrs F say they told Connell's representative in 2019 that they had existing life and critical illness cover in place, that they were recommended to take out the policies and Connells didn't cancel the existing cover they had in place – meaning that they were over insured for around five years and had been paying for policies they didn't need.

I know Mr and Mrs F will be very disappointed but for reasons set out below I don't uphold their complaint.

I've seen an email dated April 2019 which attaches a statement of demands and needs.

Under the sub-heading: "existing arrangements" it says that during discussions, it was established that Mr and Mrs F both had employer sick pay which they could use to protect their mortgage repayments and that was taken into account when Connells' representative

made their recommendations. No other type of cover is listed in the table which follows the sub-heading.

On the balance of probabilities, I'm satisfied that had Mr and Mrs F told the representative that they had existing joint life and critical illness cover, this would've also been listed or referred to under the sub-heading: "existing arrangements". And I also think it's most likely that had Mr and Mrs F mentioned having this existing cover in place, they would've contacted Connells upon receiving the statement of demands and needs to tell the representative that this cover hadn't been included as discussed. I've seen no evidence that they did that, so I'm satisfied on the balance of probabilities that Mr and Mrs F didn't disclose the existing life and critical illness insurance they had in place.

The statement of demands and needs says under the sub-heading "existing arrangements":

Please note that, where you have been able to provide sufficient details, I have made recommendations that take account of existing "mortgage protection" cover you have. Where I have not seen evidence of this cover, I have based my recommendations on what you have told me and if this is not accurate this may affect the result and level of cover (i.e. you may end up with insufficient / too much cover).

Further under the sub-heading: "replacement policies", the statement of demands and needs says:

I have not recommended that you cancel or replace any existing policies.

I think what's said is consistent with Mr and Mrs F not telling Connells' representative that it had existing cover. And if the representative wasn't made aware, I'm satisfied that they wouldn't have recommended existing life and critical illness cover be cancelled or replaced.

Connells says that Mr and Mrs F were sent (to Mr F's email account) another email dated August 2019 confirming the start date of the policies. Amongst other things, the email also says:

Where the policy is to replace an existing policy, I am unable to arrange cancellation of the existing policy for you and you will need to contact your previous insurer to do this.

Mr and Mrs F say Mr F has no record of receiving this email and if it had been received, they would've acted on this instruction and cancelled their existing cover.

They've also said in response to our investigator's view, that this email supports that Connells were aware that they had existing cover in place. I disagree. I'm satisfied that this is generic advice that **where** the policies are to replace existing cover, it's up to the customer to cancel existing cover – not Connells. Otherwise, if specific advice was being given to Mr and Mrs F, and Connells had known about the existing cover, I would've expected the email to have said something along the lines of "**As** the policies are to replace existing cover..." Overall, I think this email supports Connells' case that Mr and Mrs F ought to have contacted the insurer of their existing policies to cancel the life and critical illness policies they'd taken out in 2014.

However, even if I accepted Mr and Mrs F's submissions that Mr F didn't receive this email, I'm satisfied from the information contained on the statement of demands and needs that it wasn't made aware of the existing life and critical illness cover they had in place and the recommendation was made on that basis. And I don't think it was unsuitable for Connells to

recommend life and critical illness cover to them based on their circumstances and that they were re-mortgaging their property.

When making my findings, I've taken into account that Connells did sell life and critical illness policies to Mr and Mrs F in 2014. However, it says its representatives wouldn't have access to each other's files. I make no finding about whether the representative reasonably ought to have considered Connells' internal files to see what protection (if any) Mr and Mrs F had been sold in 2014. That's because when recommending the policies to Mr and Mrs F in 2019 I'm satisfied that Connells was reasonably entitled to rely on the information provided by Mr and Mrs F, including their existing arrangements as reflected in the statement of demands and needs.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs F to accept or reject my decision before 9 January 2025.

David Curtis-Johnson  
**Ombudsman**