

## The complaint

Miss B has complained that Liverpool Victoria Financial Services Limited ("LV") mis-sold her life cover.

## What happened

Miss B purchased an Over 50s Life Cover Plan in 2010 from an application card in her local supermarket. Recently she learned that the policy had no cash-in value, so she felt that the policy had been mis-sold to her. LV didn't agree that the policy had been mis-sold. It said that the sale was non-advised and that the policy documentation clearly explained how the policy operated.

Unhappy Miss B referred her complaint here. Our investigator didn't recommend that it be upheld – they didn't find that LV had done anything wrong. Miss B appealed. She said that she was unaware that the policy would continue until death and that if she had been aware of this, she wouldn't have taken it out.

As no agreement has been reached the matter has been passed to me to determine.

## 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 summarised the background to this complaint, no discourtesy is intended by this. Instead, I'll focus 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 Miss B will be very disappointed my decision, but I agree with the conclusion reached by our investigator for the following reasons:

- Miss B didn't receive advice as to the suitability of the plan she was purchasing, so LV wasn't under any duty to make sure that it was suitable for her. I haven't disregarded Miss B's testimony that the policy wasn't explained to her, but this was a non-advised sale – Miss B applied for a policy by completing an application form. The only obligation on LV was to provide information that was clear, fair and not misleading in order for her to be able to make an informed choice.
- Following the sale Miss B was sent the plan schedule, the policy summary, the plan conditions and a direct debit confirmation letter. I'm satisfied that the documentation clear, fair and not misleading. It made clear that *"the policy is designed to pay a one-off cash payment when you die. This cash can be used to pay for funeral expenses, any loans or bills you may still owe, or perhaps to leave a gift to your loved ones"*.
- There was no suggestion that there was a cash-in value, although Miss B has now said that is not her complaint. The covering letter also said: *"We want to make sure you are completely happy with your cover and so you have 30 days from the receipt of this letter to change your mind"*. It explained how to cancel and also gave a

telephone number for any questions. I understand Miss B as saying that she received the documentation but didn't understand it. I'm sorry this is so, but there was a number to call if she had any questions. I should add that I'm satisfied that the documentation was sent to the address Miss B entered on the application form. For the avoidance of doubt, I should add that LV is not responsible if the documentation wasn't received.

- The policy letter also confirmed the premium amount and the benefit payable. I've looked carefully at the documentation to see if it explained the possibility of Miss B paying in more than her estate would receive on her passing. I note the plan schedule stated in bold:

*If you pay all monthly premiums for 10 years, the cost would be £2,400.00. In the event of claim your plan will end, and the premiums you pay for it will stop.*

*When you reach 86 years and 6 months old, the monthly payments you will have made will equal your amount of cover.*

*Once you've passed this age you will be paying more in total than your amount of cover, but you must keep paying for your plan for a total of 30 years. If you stop paying before this, your plan will end and you'll get nothing back, and we won't pay a claim.*

- I do accept that Miss B didn't fully understand the cover – but the concept was explained clearly. Miss B has said that she no longer wishes to continue paying benefits, and this is a decision for her to take. However, in accordance with the policy terms this would mean that she will not benefit from what she has paid in to date.
- In all the circumstances I don't find that LV mis-sold the policy to Miss B or have treated her unfairly or contrary to her policy terms. This means there is no basis for me to require LV to make any payment to Miss B. I'm sorry that we have not been able to assist her on this occasion.

### **My final decision**

For the reasons given above my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 12 January 2025.

Lindsey Woloski  
**Ombudsman**