

## **The complaint**

Miss P complains about information provided to her by The Prudential Assurance Company Limited about her life assurance policy.

## **What happened**

Miss P took out a whole of life policy with Prudential in April 2014. In January 2024, Miss P contacted Prudential to ask for a copy of her trust deed as she couldn't find the original. During the call, Miss P asked whether the original trust deed was required to claim. Miss P was informed on the phone that she wouldn't but was later provided contradicting information in writing. A complaint was raised about the contradicting information.

During further conversations with Prudential, Miss P raised two further complaints about information she was given on separate occasions. Miss P was unhappy that she was told that if she was diagnosed with an illness during the policy term, Prudential could add an exclusion to the policy. She was also unhappy that Prudential wouldn't give her a guarantee that the policy will pay out upon her death.

Prudential upheld Miss P's complaint. They agreed they'd provided Miss P with incorrect information on multiple occasions. They offered Miss P a total of £175 compensation. Prudential also advised Miss P that they couldn't provide assurances that the policy would pay out at the time of death as the claim would need to be validated. Miss P was unhappy with this and so brought the complaint to our service.

Our investigator didn't uphold Miss P's complaint. He felt the compensation offered was fair in the circumstances and didn't think Prudential had done anything wrong by not providing guarantees a claim would be paid. Miss P didn't accept our investigator's outcome. She said her medical records should have been reviewed in full prior to accepting the risk. She said she'd given consent for this to happen and thought it had. She also said she wasn't informed her medical records would be checked upon death and it doesn't set out in the terms and conditions that this happens. As no agreement could be reached, the complaint has been passed to me to make a final decision.

## **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.

At the outset I acknowledge that I've summarised her complaint in far less detail than Miss P has, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

When considering complaints such as this, I need to consider the relevant law, rules and

industry guidelines. Having done so, and whilst I appreciate it'll come as a disappointment to Miss P, I've reached the same outcome as our investigator.

Following our investigator's outcome, Miss P's response was solely focussed on Prudential not providing a guarantee that the policy will pay out. So, I've focussed on this in my decision.

Miss P made the following comments in response to our investigator's view

- A risk assessment should be performed before a policy is given and this should include requesting full medical records.
- Who would know to ask to see their medical records and medical records can be incorrect.
- She brought the policy on the basis it would pay out.
- She wouldn't have bought the policy had she been aware her medical records would be requested upon death.
- The policy documents don't set out about asking for medical records at the point of claim.
- She gave consent to Prudential to check her medical records at the point of sale and assumed they had been.
- She has now provided Prudential with all her medical records from the last five years and see's no reason why a guarantee can't be given.

It's clear from her submissions how strongly Miss P feels about this complaint. I can understand why Miss P would like assurances on the policy paying out upon her death. I've responded to each of the above points below.

### **A risk assessment should be performed before a policy is given and this should include requesting full medical records**

In the United Kingdom, when any insurance policy is taken out, not just life assurance policies, the onus is on the consumer to provide accurate answers to the questions asked by the insurer. The insurer is allowed to rely on the information provided by the consumer without needing to verify if it is correct or not. At the point of a claim, if an insurer has reasonable cause to suspect a question was answered incorrectly, the insurer is allowed to take specific actions which can include declining the claim. Whilst this is written into law, The Consumer Insurance (Disclosure and Representation) Act 2012 (CIDRA), this doesn't specifically apply to Miss P's policy as it was taken out before it came into force. However, as a service, we had a similar approach to CIDRA when looking into complaints before CIDRA came into force. A similar approach to CIDRA is also seen in the guidance given by the Association of British Insurers.

Whilst this will be disappointing to Miss P, Prudential haven't done anything wrong by not verifying her answers at the point of application and are allowed to verify them, if they have reasonable cause to, upon her death at point of claim.

### **Who would know to ask to see their medical records and medical records can be incorrect**

An insurer isn't responsible for the information recorded by a doctor in a consumer's record. Whilst I appreciate there is a chance information may be incorrect in their record, this would be a dispute between the consumer and their doctor. It's up to a consumer to decide if they wish to answer the medical questions set out by an insurer with or without their medical records to hand. However, this doesn't change that insurers aren't required to verify the answers given at the point of application.

### **Miss P brought the policy on the basis it would pay out**

Prudential haven't said that the policy won't pay out, they've said that the claim will be validated at the point of claim. This is no different to any other insurance policy and is standard procedure across the life assurance market. Prudential has said they may not need any medical records at the point of claim, but this can't be established until they receive completed claim documents.

### **Miss P wouldn't have bought the policy had she been aware her medical records would be requested upon death**

Miss P has raised about not being given this information when she was sold the policy. As Prudential didn't sell the policy, this isn't something they would be responsible for. If Miss P has concerns with the sale, she'll need to raise this with the firm that sold the policy to her.

### **The policy documents don't set out about asking for medical records at the point of claim.**

Whilst I agree that the policy documentation doesn't specifically state that Prudential might ask for Miss P's medical records after she has died and a claim has been raised, the plan summary does set out the following:

*"When you take out your plan, you have the responsibility to give us the information we ask for. That's because we rely on this information to assess your risk and work out your premiums. If any of the information you give is incomplete, incorrect or untrue, it's likely that we'll reduce the value of any claims you make. In some circumstances we may not pay your claim at all. We may also cancel your plan altogether. So, if you realise that you haven't made a full disclosure to us, please let us know as soon as you can. Then we can help you to get a valid insurance contract back in place."*

This confirms that Prudential rely on the information provided by the consumer to be accurate. It also suggests that the information isn't validated at the point of application and will be checked at the point of a claim.

Miss P has said that the policy summary isn't just for life assurance policies but is also applicable to other health insurance products and the above section is only relevant to consumers that are still alive at the point of a claim. Having reviewed the document, I don't agree. The document only mentions life assurance. The document also starts as follows:

*"What is the PruProtect Essentials Plan?"*

*The PruProtect Essentials plan is an insurance plan that helps protect you and your family from the financial impact of death."*

### **Miss P gave consent to Prudential to check her medical records at the point of sale and assumed they had been**

During life assurance applications it's standard practice for insurers to ask consumers to complete a medical information declaration. This allows them to request medical records if the answers provided require more detail to fully assess the application risk. By getting consent with the application, it saves time if further information is needed. By completing the declaration, it doesn't mean that medical records will be requested, and I've seen no evidence in this case that they were.

**Miss P has now provided Prudential with all her medical records from the last five years and sees no reason why a guarantee can't be given**

There is no requirement for Prudential to complete a full validation of the application now. Prudential are allowed to wait until a claim is raised to decide what, if any, verification checks are required.

Whilst I don't agree Prudential are wrong to not provide a guarantee that the policy will pay out, I do agree that Miss P has been provided some incorrect and conflicting information by Prudential about her policy. I do think this has caused Miss P some distress and inconvenience when being informed of the incorrect information and having to get clarity on it. However, I think Prudential's compensation offer of £175 is fair and reasonable in the circumstances.

I'm very sorry that my decision doesn't bring Miss P more welcome news and assurance at what I can see is a difficult time for her. But in all the circumstances I don't find that Prudential has treated Miss P unfairly, unreasonably, or contrary to either law, standard industry practice or the policy terms and conditions.

**My final decision**

For the reasons I've given above, my final decision is that I don't uphold this complaint. I don't require The Prudential Assurance Company Limited to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 22 November 2024.

Anthony Mullins  
**Ombudsman**