

The complaint

Mrs W complains that Barclays Bank UK PLC mis-sold her an income protection policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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.

Having done so, I broadly agree with the overall conclusions reached by the investigator for the following reasons:

- Firstly, the decision to cancel Mrs W's policy is the responsibility of the insurer. This complaint is against Barclays who sold the policy to Mrs W. I cannot consider the actions of the insurer under this complaint.
- Mrs W took out an income protection policy on 13 August 2011. It was sold to her by Barclays during a meeting while remortgaging a property. There's dispute whether the policy was sold on an advised or non-advised basis. However, I don't think this makes a difference to the outcome. I say this because Mrs W hasn't said the policy wasn't suitable for her needs based on her circumstances or the benefits it provided. The recommendation Barclays provided also makes it clear the policy was optional.
- Mrs W says Barclays acted negligently by selling her a policy that it knew, or ought to have known, had no real prospect of being in place until the end of the remortgage term. However, I haven't seen any persuasive evidence of that. The insurer also changed on 1 March 2017, and the policy was cancelled on 30 June 2023 when the insurer withdrew from the market. I don't think I could reasonably say that Barclays could or should have known in August 2011 that this was likely to happen.
- That said, the policy terms say the insurer may cancel cover by giving the policyholder 30 days' notice. So, this was set out in the policy documents from the start.
- I've considered the evidence Mrs W has referred to which she says shows Barclays likely knew her policy may be cancelled. However, the information Mrs W has referred to is with regards to the *sale* of specific types of policies. None of the information refers to the likelihood of an insurer withdrawing from the market. I also don't think Barclays needed to tell Mrs W about the likelihood of any commercial decision it may make whilst selling an individual policy to her.

- Barclays stopped selling the type of policy Mrs W held on 16 November 2012. But even if Barclays knew the likelihood of this happening in August 2011, I don't think this is something it needed to tell Mrs W. I say this because this didn't have any impact on the policy Mrs W held. She continued to have cover under the policy in the event she had a valid claim. And she continued to have that cover for almost 12 years.
- I appreciate Mrs W may not be able to obtain similar cover now that the insurer has cancelled her policy. However, I don't think this is something I could fairly hold Barclays responsible for. I'm sorry to disappoint Mrs W but having considered everything, I don't think Barclays has done anything wrong in the circumstances of her complaint.

My final decision

My final decision is that I don't uphold Mrs W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 20 February 2025.

Renja Anderson
Ombudsman