

## **The complaint**

Mr R complains that Lifesearch Partners Limited failed to pass on key information to his insurer which led to a claim on his income protection policy being declined.

## **What happened**

Mr R held a policy with his insurer (who I'll refer to as 'R') which covered him in the event he was unable to work. Shortly after taking out the policy Mr R claimed for a fracture. R declined the claim as they said Mr R had failed to disclose ADHD during the application process. And, had he done so, the policy wouldn't have been offered as Mr R had declared other relevant medical conditions. Due to combination of factors R said they wouldn't have offered the policy.

Mr R complained to Lifesearch as he said he'd disclosed this information to them and yet they'd recommended the policy to him. Lifesearch don't dispute that Mr R did disclose this information and offered him £100 compensation. However, they said that none of the insurers on their panel would have been able to offer Mr R cover. Mr R complained to the Financial Ombudsman service.

Our investigator looked into what happened and upheld the claim in part. She accepted that Lifesearch had acted in error when they didn't let R know information about Mr R's ADHD which was relevant to their underwriting criteria. She thought the overall compensation should be increased to a total of £350. However, she noted there was no compelling evidence Mr R would have been able to take out alternative cover. So, she didn't think they needed to do anything further to put things right.

Mr R didn't agree and asked an ombudsman to review his complaint. In summary, he argued that R hasn't fairly concluded ADHD is a mental health condition, and he answered all the questions asked correctly. He said that if the correct information had been put forward, he would have been able to source alternative cover from another provider.

## **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.

Lifesearch recommended the policy to Mr R. So it was their responsibility to ensure it was suitable for his demands and needs. It's not disputed there was an error during the application process. The advisor ought to have understood the significance and relevance of Mr R disclosing his medical history in relation to ADHD during the application process.

I'm partly upholding Mr R's complaint but I think the £350 compensation Lifesearch has agreed to pay is fair and reasonable. I say that because:

- Where an error is made, I need to consider what would have happened if the error hadn't been made. In this case that means Mr R's ADHD would have been disclosed and R would have declined to cover him. Lifesearch would have

considered alternative policies but none of their insurers would have covered him.

- I've taken into account that Mr R has said he could have tried to obtain cover elsewhere. But he's not presented any evidence that an insurer would cover him with his medical history, at a price he could afford. So, on balance, I'm not persuaded that he's demonstrated alternative cover was most likely available.
- I appreciate that Mr R feels it's not fair to classify ADHD as a mental health condition. I make no finding on this point because I don't think it's central to the outcome of this complaint. Mr R's ADHD should have been explored in more detail during the application process. That's not disputed, and I agree Lifesearch should have done more. But, as I've outlined above, if it had been disclosed no policy would have been offered by R. So, I don't think the classification of ADHD determines the outcome of this complaint.
- In any event, based on the information that's available, it's R that set the questions in relation to the application process and that determine the categorisation of ADHD as a mental health condition. So that's not something I'm making a finding on as part of this complaint. That's because I don't think that's something that Lifesearch is responsible for in the circumstances of this complaint.
- Taking all of the above into account I'm satisfied that £350 compensation is fair and reasonable in the circumstances of this complaint. It would have been worrying and frustrating for Mr R to discover he didn't have the cover he expected when he needed to claim. And I think this would have added to his worry at an already difficult time. However, I think £350 compensation fairly reflects the impact on Mr R.

### **Putting things right**

I'm upholding Mr R's complaint and direct Lifesearch Partners Limited to pay Mr R a total of £350 compensation (inclusive of the £100 already offered).

### **My final decision**

I'm partly upholding Mr R's complaint and direct Lifesearch Partners Limited to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 3 April 2025.

Anna Wilshaw  
**Ombudsman**