

The complaint

Mrs P complains that Legal and General Assurance Society Limited (L&G) didn't inform her and her late husband that their policy had been cancelled following non-payment of premiums. This meant Mrs P wasn't able to claim on the policy following the passing of Mr P.

What happened

On 5 March 2003 Mr and Mrs P took out a joint life insurance policy with L&G. The policy covered Mr and Mrs P for £103,000 on a decreasing basis over a term of 20 years and would pay out in the event of first death or terminal illness during the policy term.

Following Mr P's passing in January 2023, Mrs P reached out to L&G about claiming on the policy. In March 2023 L&G acknowledged her notification and informed her that the policy had lapsed due to unpaid premiums. Mrs P was unaware of this and escalated the matter further with L&G.

L&G confirmed to Mrs P that letters had been sent to their address in August and September 2022, stating non-payment and the policy lapsed on 5 December 2022.

Mrs P claimed that they didn't receive these letters and hasn't been able to locate them. L&G confirmed that they were issued, but don't have physical copies to confirm they were sent. They have provided example letters that would have been correctly addressed at the time.

Mrs P explained that as the policy was in joint names that they both should have received communications about non-payment and ultimately the cancellation of the policy. She argued that as the policy was close to the end of the policy term then Mr P wouldn't have taken steps to cancel it. L&G didn't change their position on the complaint so the case was referred to our service.

One of our Investigators looked into the complaint but didn't uphold it. He said that despite L&G not having copies of the letters that were sent to Mr and Mrs P, they had provided sample copies of what they would have sent at the time. And this has been provided along with system notes to confirm when the letters were sent, address to both policyholders, therefore the Investigator was satisfied L&G had informed Mr and Mrs P as they should have done and the policy lapsed due to non-payment.

Mrs P disagreed explaining that as L&G hadn't been able to provide proof of the letters sent at the time then she doesn't believe these were sent. She also feels the reconstruction documents are abhorrent and far from satisfactory, especially where the policy was a joint life assurance and required proof/ signatures to confirm cancellation of the policy.

As the matter couldn't be resolved, the complaint has come to me to consider everything afresh and issue 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.

Having done so, I agree with the conclusions reached by our Investigator for broadly the same reasons.

Mr and Mrs P's bank have confirmed the direct debit was cancelled which resulted in the policy lapsing due to non-payment. But my focus is on whether L&G acted fairly in informing Mr and Mrs P what would happen to their policy if the non-payment wasn't rectified.

It's not in dispute that L&G don't hold copies of the actual letters sent to Mr and Mrs P in August and September 2022. But Mrs P and her representative of this complaint have questioned the practices of L&G for not keeping copies of these documents to prove they were actually sent. And without proof then they are satisfied the letters weren't sent to her and Mr P at the time.

I've considered this point thoroughly. And having done so, I don't agree with Mrs P and her representative's opinion on the letters. I do understand it would have been ideal to have seen a copy of the letters sent to Mr and Mrs P. However, the information provided by L&G confirms the type of document sent to both Mr and Mrs P at the time, as well as a sample copy of the letter— and what needed to be done to restart their cover. There's nothing to dispute the information provided by L&G is inaccurate.

There's no further information to take into account other than what has been mentioned above. Therefore, it's for me to decide, on the balance of probability, whether it's more likely than not those letters were sent to Mr and Mrs P regarding the non-payment of premiums. On this occasion I'm satisfied that it's more likely than not the letters L&G referred to were sent to Mr and Mrs P at the time.

This doesn't take away from the fact that Mrs P hasn't seen the letters sent to her and Mr P in August and September 2022. I don't doubt these may have not been received by Mrs P, but my role is to be satisfied that the letters were sent by L&G, rather than being received by Mr and Mrs P. The use of the postal service can't guarantee every letter reaches its destination unfortunately.

Mrs P questioned if she should have been written to separately about cancelling the policy, as it was in joint names and would have required her consent to cease. L&G said that they would have only required Mrs P's separate consent if the policy was being amended or cancelled for any other reason other than non-payment. This explanation seems reasonable. As the policy was terminated through a contractual breach L&G wouldn't need Mr and Mrs P's permission to ask if the policy should end. Ultimately, the policy would have ended because the premiums weren't maintained as expected.

Mrs P and her representative have questioned L&G's record keeping practices on this occasion. However, I've taken account of the record keeping as set out above, and I'm satisfied that it's fair and reasonable in this particular circumstance. If Mrs P has wider concerns about L&G's processes then these aren't for our service but if Mrs P wants to pursue this aspect further then it could be something to discuss with the regulator, The Financial Conduct Authority, or the Information Commissioner's Office (ICO).

I recognise this isn't the outcome Mrs P wanted but I'm satisfied that L&G informed them of the non-payment arrears at the time, but no further action was taken by Mr and Mrs P to reinstate the policy.

My final decision

For the reasons I've explained above, my decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P and the estate of Mr P to accept or reject my decision before 13 March 2026.

Andy Hurle
Ombudsman