

## The complaint

Mr M is unhappy that Just Retirement Limited (Just) reduced the annuity quote he had been given.

## What happened

Mr M's adviser provided Just with information about his health. This information set out details about his cancer treatment.

On 8 July 2024 Just provided an annuity quotation in the sum of just under £28,000. This explained that the amount could change following receipt of information from a medical practitioner. Mr M had let Just know about his cancer diagnosis and treatment in relation to it. On page 2 under a section entitled '**Understanding your Personal Quotation**' at point 3 it states:

*"3. The regular income amount quoted on page 1 includes an enhancement based on the information about your lifestyle and medical conditions that you have provided to us. We will request confirmation of these details from your medical practitioner. If this varies from the information provided, the amount of the regular income may reduce or we may cancel the policy. The actual amount of income payable will depend on the actual fund value received from the existing pension provider. We'll confirm the actual amount of income payable when we've set up your policy."*

On 16 August 2024 Mr M signed a pension annuity application form.

On 24 September 2024 Just wrote to Mr M to confirm his annuity had commenced as at 20 September 2024 in the sum of £28,213.44. It was higher than the original quote due to a higher transfer value. Attached was a completion summary which again set out that the actual amount of income payable will depend on confirmation of details from Mr M's medical practitioner.

Just said it received Mr M's medical information from his general practitioner (GP) on 16 October 2024. Due to the information contained within it, Just notified Mr M that his enhanced annuity would be reduced. Mr M raised a complaint about this.

Mr M's medical records set out:

On 12 September 2024 it is noted about the conversation Mr M had:

*"Advised to restart statin if it is stopped because of drug interaction or intercurrent illness"*

*"Advised to book blood test 3 months following initiation of statin"*

*"[Mr M] doesn't want atorvastatin wants rosuvastatin due to mental disturbances (sic) he experienced with atorvastatin"*

On 31 October 2024 Mr M's GP provided him with a letter which he had asked them to provide to show treatment to date. This listed the cancer diagnosis and set out the treatment Mr M had received, listed under "*Additional Medication*" it stated Rosuvastatin on 12 September.

Just provided its final response on 4 November 2024, it offered £150 compensation by way of an apology for the service it had provided to Mr M. But it said it verifies the information provided to it on the medical questionnaire Mr M completed. As Mr M's GP had disclosed additional medication the enhanced annuity offer had changed. It couldn't offer the original amount quoted.

Unhappy with the response, Mr M referred his complaint to this service. An Investigator considered it, but they didn't uphold the complaint. They said that from the documents provided it was clear that changes could be made to the annuity. And, based on the evidence provided it had been fair for Just to reduce the annuity paid. The Investigator considered the £150 compensation offered to be reasonable.

Mr M asked for his complaint to be referred to an Ombudsman. He said, in summary, that he had fully disclosed all treatment for his cancer diagnosis. The medications being discussed are for heart disease. He was not asked to disclose any other health issues.

### **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 appreciate this will come as a disappointment to Mr M, but having done so I'm not upholding his complaint.

When a provider offers an enhanced annuity, it carries out a calculation to provide an annuity quote. The calculation considers several factors. For example, any health issues Mr M has and the medications he is taking for those conditions. It is usual for a provider to request medical information to check the consumer's health. If there are any differences in what it has been told, and what is written within the medical notes and evidence, changes may need to be made to the annuity. That's because, had the provider – in this case Just – known about everything, it would not have offered the original quote.

I have been provided with the terms of the quote that Mr M was provided with from Just. I'm satisfied that this allowed it to request medical information about Mr M, and to make changes to the annuity if anything was discovered that would change what they would have originally quoted.

I've gone on to consider if the change that was made was fair and reasonable. Just has told me that, if a consumer is taking a statin the quotation for an enhanced annuity will be affected. When Just provided the initial quote, it wasn't aware that Mr M was taking a statin. But, the letter Mr M provided from his GP and his medical records show that at the commencement of the annuity (20 September 2024) he was taking a statin.

Mr M has argued that the medication being discussed is in relation to heart disease, which he was not asked about when he filled out the medical questionnaire. Mr M had an adviser, who should have discussed his full health with him at the time of obtaining quotes. It might be that that didn't happen, but in any case, Just can rely on the information provided to it by medical professionals. And Mr M's medical notes show that he was taking statins when the annuity commenced. Just can base the annuity paid on Mr M's full health and all medications he is taking, so it's fair for Just to have taken this into consideration.

## **Summary**

I appreciate Mr M has said that the medication in discussion is not for his cancer diagnosis, but Just take into account all of Mr M's health conditions and medications not just those disclosed withing the medical questionnaire. And it is set out within his medical notes that he was taking the medication under discussion at the time the enhanced annuity commenced.

The medication has an impact on the quote that Mr M would have received – and, the terms of the quote allow it to make changes following receipt of medical information. So, I can't ask Just to honour the original quote – because Mr M would never have received that level of annuity.

I appreciate this will be a disappointment to Mr M, but I'm not upholding his complaint.

## **My final decision**

I don't uphold Mr M's complaint about Just Retirement Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 31 December 2025.

Cassie Lauder  
**Ombudsman**