

The complaint

Mrs S complains that First Complete Limited trading as PRIMIS Mortgage Network ('First Complete') caused delays with a joint life insurance application, which meant there was no policy in place when her husband died.

Any reference to First Complete includes the broker acting as its appointed representative.

What happened

Mrs S and her late husband Mr S met with First Complete in February 2022 to review their protection needs. They decided to go ahead with a joint decreasing life insurance policy to protect their mortgage, and their application was submitted to the insurer on 30 March 2022.

The insurer wanted more information, and requested this directly from both Mr and Mrs S. It took some time to obtain the medical information the insurer wanted for Mr S, though he was eventually accepted for cover on 9 February 2023. However, the policy couldn't start at this time because the information the insurer had requested from Mrs S was still outstanding. Mr S sadly passed away soon after, and a claim couldn't be made as the policy hadn't begun.

Mrs S complained to First Complete. She said she hadn't received an email from the insurer on 30 March 2022, and she wasn't told by First Complete that the insurer wanted further information from her until 9 February 2023. She said she didn't have enough time to obtain that information before her husband passed away later that month.

First Complete said it had received generic updates from the insurer relating to information they had requested directly from Mr and Mrs S, and that it had reminded Mr and Mrs S that they should respond to the insurer. Mrs S remained unhappy and brought a complaint to this service.

I issued a provisional decision on 14 March 2025. Here's what I said:

'I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.'

In determining this complaint, I've considered whether First Complete made any errors that led to the acceptance of the application being unnecessarily delayed.

The application was submitted to the insurer by First Complete on 30 March 2022. The insurer considered the application but wanted more information from both Mr and Mrs S. I understand the insurer emailed Mr and Mrs S separately to ask for this information on 30 March 2022, the same day the application was submitted.

First Complete and the insurer use an online portal that's updated by the insurer regarding the status of applications submitted. The front page of the portal made it clear that Mr and Mrs S had each been assigned a reference number by the insurer. The reference number for Mr S ended in 4, and the reference number for Mrs S ended in 5.

The portal includes a section for outstanding information. On 30 March 2022, the insurer added two entries, one for Mr S and the other for Mrs S. The entry for Mrs S said 'Evidence item requested: Further information from customer.'

So First Complete ought to have been aware from this date that the insurer had requested further information from Mrs S, even though it wasn't clear what information had been requested.

I've read First Complete's timeline and although it was in contact with Mr S about the information the insurer wanted from him, it didn't contact Mrs S about the outstanding information the insurer had requested from her or ask the insurer for further details about this. It seems to me that First Complete hadn't noticed on the portal that the insurer had requested more information from Mrs S too.

On 4 August 2022, the insurer input the following into the portal for Mr S 'Evidence item requested. Further information from customer'.

I've listened to a call between First Complete and the insurer on 6 October 2022.

First Complete's staff member told the insurer the last comment was from August (presumably referring to the portal) and said they weren't sure what was happening. The insurer initially discussed Mr S and said they'd asked the client for more information on 4 August, but they hadn't received a response. The insurer then said that for Mrs S, they had emailed her and were still waiting for the email from her as well. First Complete's staff member said they'd chase them to find out what was going on.

First Complete emailed Mr S later that same day. The email said 'I have spoken to [the insurer] today regarding your insurance. They have advised me that they emailed you both on 4th August but have not had a reply to their email. Please can you reply to them asap so we can get these policies started.'

However, this wasn't correct. The insurer hadn't emailed Mrs S on 4 August 2022 for more information. First Complete just assumed that the insurer had emailed both Mr and Mrs S on 4 August 2022. I think First Complete ought to have clarified the actual date with the insurer. Though if it had looked at the portal, it would have seen the email to Mrs S had been sent by the insurer on 30 March 2022.

Then on 10 October 2022, First Complete emailed both Mr and Mrs S. This email said '[The insurer] just need one last thing clarified, can you check your emails and reply and then the protection can be set up.'

Again, this wasn't correct. The insurer needed more information from both Mr and Mrs S, and so they weren't only waiting for one last thing to be clarified. And First Complete still didn't make it clear in this email what date the insurer had asked Mrs S for further information. First Complete's email to Mr S four days earlier had said the insurer's email was sent to them both on 4 August 2022, and this wasn't corrected. So I wouldn't have expected Mr and Mrs S to understand from the two October 2022 emails sent by First Complete that the insurer was still waiting for information that had been requested from Mrs S in March 2022.

Mrs S says that a phone call took place with First Complete after these emails so that she and Mr S could seek clarification about what was required. She says they were told that the only outstanding information related to Mr S.

First Complete's timeline of events confirms that it called Mr S on 3 November 2022. We asked First Complete for a copy of this phone call or the call notes, but First Complete doesn't have this information. Whilst we don't know what was discussed in this phone call, First Complete's timeline says that no one at the insurer had made it aware of the outstanding information for Mrs S. And that had it known this, the information could have been supplied months earlier. So, this supports Mrs S's recollections that First Complete thought the insurer was only waiting for information from Mr S.

Taking everything into account, I think First Complete was at fault here. Although the insurer had contacted Mrs S directly to ask for further information, First Complete was acting on her behalf and was made aware from the outset that the insurer wanted more information from her. Despite this, it didn't contact Mrs S about this for over six months, and when it did contact her, it wasn't clear about what information the insurer wanted or when it had been requested. If First Complete had been clearer about this from the start, or even in October 2022, then Mrs S would have been able to obtain the necessary information and provide it to the insurer well in advance of 9 February 2023, when Mr S was accepted for cover.

Putting things right

Mrs S says that her financial loss is the outstanding mortgage amount (in other words, the claim payment from the insurer). But if I were to agree with this, I'd need to be persuaded that the insurer would have paid the claim if the policy had started on 9 February 2023. That's the date we know the insurer was willing to accept Mr S for cover based on the information it had been given.

I don't know for certain whether the insurer would have accepted Mrs S for cover after receiving the results of the MRI if this had been provided sooner. I've seen the MRI results, and this says Mrs S had some mild degenerative changes. I think it's unlikely this would have affected the insurer's decision to cover Mrs S, though even if it did, I don't think this matters. I say that because even if the insurer chose not to accept Mrs S for cover, I think it's likely that the policy would have gone ahead in Mr S's sole name from 9 February 2023.

However, we've explained to Mrs S that if Mr S's health had changed before 9 February 2023, and this meant his answers on the application form were no longer correct, he needed to tell the insurer about this before the policy started.

The relevant legislation that applies is the Consumer Insurance (Disclosure and Representations) Act 2012, which says a consumer must take reasonable care not to misrepresent information to an insurer, and this is the case up to the date the policy starts.

I've looked at the application form, and this asked if Mr S currently had cancer – so I'm satisfied he would have needed to disclose his new diagnosis to the insurer. I've also checked the information from the time of sale, and I see that First Complete made Mr and Mrs S aware in the demands and needs letter that it was very important they let First Complete know if anything changed up to the date when the policy started, including their state of health. So, Mr S was aware he needed to tell First Complete if there was change to his state of health, and I also note that Mr S was in correspondence with the insurer about his application after he had received his diagnosis.

Mrs S has kindly provided me with Mr S's medical information leading up to 9 February 2023. I see that in November 2022, he started feeling unwell and had some investigations. Sadly, in December 2022, Mr S was diagnosed with colon cancer which had spread to his liver.

I haven't provided this information to the insurer to ask what they would have done if they had known this. That's because I'm aware from experience that insurers either won't provide life insurance at all to an applicant with cancer, or if they did, then they would exclude any claims relating to the cancer.

I've taken all of this into account when thinking about what would have most likely happened if the policy had started on 9 February 2023 (if not for the delays caused by First Complete).

When the insurer would have been notified of the claim, they would have seen that Mr S passed away due to metastatic sigmoid adenocarcinoma. As this was metastatic and his death happened so soon after the policy had started, I think the insurer would have wanted to know when the condition had been diagnosed. They would have learnt that Mr S had received his diagnosis in December 2022, but hadn't told them about the change in his health.

That being the case, I think the insurer would have concluded that Mr S had misrepresented information about his health, and I'm assuming they would have found that misrepresentation to be careless rather than deliberate. If the insurer wouldn't have offered cover at all to someone with cancer, the remedy under CIDRA for the insurer would be to avoid the policy – in other words, cancel it from the start. Alternatively, if the insurer would have still offered the policy but excluded cancer, then the remedy under CIDRA would be to apply the exclusion for cancer retrospectively to the start date of the policy. Either way, the claim wouldn't have been payable.

So, as I don't think the insurer would have paid the claim, that means Mrs S hasn't lost out financially as a result of First Complete's error. Having said that, I do think First Complete has caused her upset and frustration by its handling of the matter, and she has had to deal with all of this whilst grieving for her husband. I intend to require First Complete to pay her £500 compensation for this.'

I asked both parties for any further comments they wished to make before I made a final decision.

First Complete responded to say it would pay the £500 compensation.

Mrs S responded with the following main points:

- Information ought to have been requested from Mr S sooner, and if this had happened, his cover would have started before he was diagnosed with cancer.
- First Complete failed in its duty to her by not obtaining the information requested by the insurer despite having sufficient opportunity to do so. This prevented her from providing the insurer with a copy of her MRI results before 9 February 2023.
- There was a three-month gap in communication between First Complete and Mr S between October 2022 and January 2023. If First Complete had taken action in this time, the policy would have likely started before Mr S was diagnosed with cancer in December 2022.
- First Complete was made aware of Mr S's illness, and so it's not correct to say this wasn't disclosed before 9 February 2023.

- Her MRI results showed age-related deterioration, and didn't prevent a subsequent life insurance application with another insurer from going ahead, so she doesn't think this would have been an issue for this insurer.
- She would like me to reconsider the compensation amount to be more reflective of the inadequate assistance received from First Complete.

As both parties have responded to my provisional decision, the matter has been passed back to me for 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.

Mrs S has questioned the length of time it took the insurer to request information from Mr S after receiving the application form. However, I'm only considering whether First Complete caused unnecessary delays in this decision. If Mrs S is unhappy with how long it took the insurer to assess Mr S's application, she should raise this directly with the insurer in the first instance.

I agree with Mrs S that First Complete ought to have told her much sooner that the insurer had requested information from her, and that this meant she couldn't provide the insurer with her MRI results before 9 February 2023. I also agree with Mrs S that it's unlikely her MRI results would have been an issue for the insurer (if this had been provided before 9 February 2023).

However, as I've explained in my provisional decision, I don't think First Complete's errors led to Mrs S experiencing a financial loss. That's because I'm satisfied that even if the policy had started on 9 February 2023, the insurer wouldn't have paid the claim due to Mr S's diagnosis of cancer that was made in December 2022.

Mrs S has referred to there being a three-month gap in communication between First Complete and Mr S. She thinks if this hadn't been the case, then the policy likely would have started before Mr S was diagnosed with cancer.

The insurer had emailed Mr S directly on 4 August 2022 to ask him to send it a copy of a report after a medical appointment had taken place in September 2022.

I understand from Mrs S's timeline that, on 6 October 2022, Mr S's GP received a letter following this medical appointment which confirmed that he was being discharged and there was no further treatment needed. Unfortunately, Mr S didn't send a copy of this to the insurer, as it had requested.

First Complete spoke with the insurer on 6 October 2022 and became aware that the insurer had emailed Mr S for more information on 4 August 2022. As I explained in my provisional decision, First Complete emailed Mr S the same day to ask him to reply to the insurer's email of 4 August 2022. First Complete didn't receive a response from Mr S and so sent him a further email on 10 October 2022.

As I also mentioned in my provisional decision, it seems First Complete and Mr S then had a phone conversation in early November 2022. Mrs S says her recollection from that time is that First Complete had let her and Mr S know that the insurer was waiting for information from Mr S.

Taking all of this into account, I'm satisfied that First Complete had done enough to make Mr S aware that the insurer was waiting for further information from him, and the policy couldn't go ahead without this.

It's really unfortunate that Mr S didn't provide the requested information to the insurer until January 2023. If it had been provided sooner, then the insurer may have started the policy before Mr S was sadly diagnosed with cancer in December 2022. But I can't hold First Complete responsible for this delay.

I haven't seen any evidence that Mr and Mrs S had let First Complete know about Mr S's illness when he was given his diagnosis in December 2022. If they had done, I would have expected First Complete to tell the insurer. The insurer would have then decided whether they were going to exclude the condition or refuse to provide cover to Mr S entirely.

The insurer wasn't aware of Mr S's cancer diagnosis as of 9 February 2023. Though as the policy didn't start and therefore the insurer didn't make a finding on whether there had been any misrepresentation from Mr S, I don't think I need to consider this further.

I remain of the view that First Complete was at fault for not realising that the insurer had requested information from Mrs S in March 2022, and therefore it failed to remind Mrs S of this much sooner. Whilst I remain satisfied that Mrs S hasn't suffered a financial loss because of this error, it's still the case that this led to unnecessary confusion and upset when Mrs S became aware in February 2023 that the insurer had been waiting for her MRI results for nearly a year. Overall though, I remain of the opinion that £500 is an appropriate level of compensation here and reflects the impact on Mrs S.

My final decision

My final decision is that I uphold this complaint in part. I require First Complete Ltd trading as PRIMIS Mortgage Network to pay Mrs S £500 compensation*.

*First Complete must pay the compensation within 28 days of the date on which we tell it Mrs S accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 5 June 2025.

Chantelle Hurn-Ryan
Ombudsman