

The complaint

Mrs C complains that Family Assurance Friendly Society Limited, trading as Beagle Street, changed the date it took the premium for her Life and Critical illness Policy without telling her.

She says this caused her inconvenience and worry.

What happened

The background to this complaint is well known to all parties so I'll just give a broad overview here.

Mrs C took out a Life and Critical illness policy with Beagle Street in October 2017. On inception of the policy, Beagle Street told Mrs C that the initial premium payment would be taken on 13 October 2017 and then all future payments would be taken on the 1st of every month until the last premium was due on 2 September 2042.

In 2024, Beagle Street was acquired by Family Assurance Friendly Society. An email was sent to all affected customers, including Mrs C, letting them know of the acquisition and that there would be some changes to the direct debit premium payments.

In March 2025, Mrs C contacted Beagle Street as she'd noticed her March premium hadn't been taken as expected on 1 March.

Beagle Street looked at her policy and told her that there was no indication of missed premiums, the policy was still fully operational and that her premium for March would be taken at the end of the month rather than the beginning.

Mrs C wasn't happy and wanted to know the reason for the change and why she hadn't been told about it.

Beagle Street responded by explaining that, following the acquisition, Beagle Street moved its operating systems to those of Family Assurance Friendly Society Limited. And these new systems meant customers could only pay their premiums at the end, rather than the beginning, of the month.

Beagle Street apologised for any confusion and confirmed that the policy was still fully paid up and, going forward, Mrs C would pay her premiums for the month just gone rather than the month to come.

Mrs C wasn't satisfied with this response so brought the complaint to this Service.

Our Investigator reviewed the evidence and didn't think Beagle Street had done anything wrong.

He thought the communication from Beagle Street could have been clearer but, overall, it had sufficiently explained the reasons for the change to Mrs C.

Mrs C was unhappy with this response, so the complaint has been passed 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.

I've looked carefully at the communication that Mrs C was sent by Beagle Street, following the acquisition by Family Assurance Friendly Society Limited, and I do think it could have been clearer on the impact on customer premium collections.

In the email of November 2024, Mrs C was told that there will be some changes to the direct debit, specifically that the name of the originator would look different on her bank statements – it would say "Family Assurance Friendly Society" rather than Beagle Street – and there would be a one-off change of collection date. But it makes no mention of the change to taking premiums in arrears rather than in advance which is how Mrs C had been paying for over seven years.

So, I can understand why Mrs C was confused when her premium for March 2025 wasn't taken on the first of that month as expected. And, why she felt the need to contact Beagle Street to find out what was happening.

I've also listened to the call Mrs C made to Beagle Street on 17 March 2025 to query the payment and can understand why Mrs C wasn't reassured by the explanation given by the call handler.

Although he did explain to Mrs C that the policy was still active, the policy premiums were fully up to date and the payment was likely to be taken the following month, he wasn't certain of the reasons why. This led to Mrs C raising a complaint.

Beagle Street responded to Mrs C's complaint in writing on 28 March 2025. In the letter Beagle Street apologised for the confusion that it had caused and explained that the premium would now be taken at the end, rather than the beginning of the month it would be due. It went on to explain that this change was necessary and resulted from Beagle Street switching to the new operating systems following its acquisition.

Beagle Street assured Mrs C that her policy always had been active and there were no arrears of premiums.

Mrs C says that although this response did clarify what had happened and why, she was still left concerned and worried following the call she made to Beagle Street. This was because the call agent was unclear about what had happened and had to escalate her concerns. Mrs C feels it's unreasonable for a business to not take a direct debit payment and not be able to explain why.

I can understand Mrs C's frustration, but I'm satisfied Beagle Street did provide a satisfactory response within a reasonable timescale. It would, of course, have been helpful if the full response was provided when she initially telephoned Beagle Street, but I don't think it unreasonable that the call operator wasn't able to fully explain the technical and operational background to the change of premium collection date.

I think the nature of the call handler role is to answer initial queries from customers and then escalate more nuanced concerns to relevant parts of the business. In this complaint the call handler was able to explain *what* had happened but didn't feel able to explain *why* it had happened. He therefore escalated Mrs C's complaint so she would receive a full answer. I think this is reasonable.

I've thought carefully about Beagle Street's response to Mrs C's complaint and, despite the poor communication I've noted, I won't be asking Beagle Street to do anything else in this complaint and I'll explain why.

The guidance at this Service describes the business response of an explanation and apology as fair if it represents events such as a small administrative error or a short delay. In this complaint, the error I think Beagle Street made was it didn't effectively inform Mrs C that the time of her premium payment was changing.

When she contacted it to query why her premium hadn't been taken, she was given an explanation and assured that her policy was still active, and she would suffer no financial detriment because of this change. Because Mrs C wanted a more detailed explanation which the call handler was unable to give, her concerns were escalated, and she received a full apology for the confusion caused and written explanation eleven days later.

And I think these events that led to this complaint broadly fits this definition of a small administrative error or a short delay. So, I won't be asking Beagle Street to do anything else.

Finally, Mrs C has made comments on how her complaint was handled by Beagle Street. Complaint handling isn't a regulated activity so it's outside the jurisdiction of this Service. So, I won't comment on any of the points Mrs C has made about this.

My final decision

For the reasons stated above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 19 September 2025.

Ben Castell
Ombudsman