

The complaint

Mr and Mrs H complain that Lifesearch Partners Limited mis-sold an income protection policy to them.

What happened

Mr and Mrs H took out an income protection policy many years ago. They are unhappy that when they made a claim on the policy they didn't receive the benefit they were expecting to. They complained that the policy had been mis-sold.

Lifesearch said that they'd recommended the policies based on the information provided by Mr and Mrs H when the policy was taken out. They thought the recommended policies were suitable for Mr and Mrs H's needs. And they highlighted that information about the deferred period was made clear on the policy documentation. Mr and Mrs H remained unhappy and complained to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't uphold the complaint. She didn't think the policies had been mis-sold as the recommendation took into account Mr and Mrs H's sick pay at the relevant time. Mr and Mrs H provided more evidence about the original deferred periods the policies had. Our investigator clarified the duration of the deferred periods for the policies, but it didn't change her thoughts about the overall outcome of the complaint.

Mr and Mrs H asked an ombudsman to review their complaint. They thought Lifesearch should explain how the policies worked and there was a lack of evidence to demonstrate this was the case. So, the complaint was passed to me to decide.

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.

The relevant rules and industry guidelines say that Lifesearch needed to ensure that they recommended a policies that were suitable for Mr and Mrs H's needs. And they also needed to give them enough information to decide if the policy was right for them.

I'm not upholding Mr and Mrs H's complaint as I'm not persuaded the policy was mis-sold. I say that because:

- I'm satisfied the policies Lifesearch recommended were suitable for Mr and Mrs H's needs, bearing in mind the levels of sick pay they were receiving at the time they made the application. In the event of changes to their circumstances it was Mr and Mrs H to contact the insurer to make them aware of this so that cover could be amended.
- I'm not persuaded that Lifesearch did mislead Mr and Mrs H about how the policy worked. There's no copy of the call recording available. But the notes refer to the

deferred period and reflect that there were discussions about the levels of sick pay Mr and Mrs H had access to. That persuades me that, on the balance of probabilities, this was most likely to have been discussed with Mr and Mrs H.

- In any event, even if the advisor didn't make this clear, I think the policy documentation sent to Mr and Mrs H explained how the policy worked. If Mr and Mrs H were unclear about the level of benefits offered I think they had a reasonable opportunity to contact Lifesearch to discuss this further.
- Income protection policies are designed to replace lost income. So, if a policyholder is receiving income from another source, there's no income to replace. It's very common for income protection policies to limit the benefit in this way and so I don't think it's a significant or unusual limitation that ought to have been drawn to Mr and Mrs H's attention. It's also unlikely Mr and Mrs H would have been able to obtain a policy that operated in the way they expected as most policies would have operated in the same, or a similar, way.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 27 October 2025.

Anna Wilshaw
Ombudsman