

The complaint

Mr G is unhappy with the service he received from FLEET STREET FINANCIAL LTD. trading as Fleet Street (“FSW”).

What happened

Mr G engaged FSW in late 2022, and following a recommendation about his pensions FSW reviewed Mr G’s protection cover. At the time he held three life cover policies, one with Firm A and two level term assurance policies with Firm R. One of the policies he held with Firm R had income protection cover.

FSW recommended Mr G replace his policies with one policy with a higher sum insured, because they had identified a shortfall in Mr G’s level of cover. Mr G agreed to go ahead with the recommendation and FSW sent out application documents to Mr G. Shortly after, on 23 May 2023, FSW emailed Mr G attaching a cancellation instruction form for the policies he held with Firm R. They said the form needed to be signed by Mr G and the two additional Trustees of his policies. FSW went on to say:

“Just to confirm, we will only cancel the above once your [Firm L] policies are in place.”

On 5 June 2023 Mr G emailed FSW and said he had posted the cancellation letter to Firm R. FSW emailed Firm R on 6 June 2023 and explained that Mr G had incorrectly posted the cancellation instruction to them. On 9 June 2023, Firm R replied and suggested Mr G call them to discuss things.

FSW say they checked the status of Mr G’s policies with Firm R on 9 June 2023, but they had already been cancelled.

In July 2023 Mr G attended a medical appointment as part of his application with Firm L.

On 1 August 2023 FSW called Firm R and asked if they could reinstate Mr G’s policies. FSW emailed Mr G, they said:

“We have spoken to [Firm R] and arranged for your policies to be reinstated so you are still covered in the case that the [Firm L] application is prolonged or cannot be resolved.”

They explained that Firm R would issue reinstatement paperwork for Mr G to complete. Then on 4 August 2023, FSW asked Mr G not to complete the paperwork as it was a new application rather than reinstatement documents. They explained they were discussing options with someone at Firm R.

Firm L refused to provide cover. FSW say this was due to discrepancies with Mr G’s health between what was disclosed and the medical report. A new application was prepared to be submitted to a new provider, Firm A. Mr G received a request to attend a medical appointment, but he didn’t want to so emailed FSW on 17 November 2023 to let them know

he didn't want to attend a medical appointment and asked if that meant the application would not go ahead. FSW say they responded to let Mr G know that he was correct – the application with Firm A wouldn't be able to continue. FSW say they chased Mr G for an annual review in November 2023 but it didn't go ahead.

In November 2024, FSW emailed Mr and Mrs G to arrange an annual review, they said that it was important as two of their policies were not held in trust. Mrs G completed trust forms but the policy references were incorrect. FSW let Mrs G know that one of the policies, Mr G's policy, had been cancelled. Unhappy, Mr G raised a complaint. He said that he had not known the policies had been cancelled, and he hadn't authorised FSW to cancel the policies. He later added that FSW had been unprofessional on the telephone with him, implying that Mr G had lied which he would not do.

FSW issued their final response on 31 January 2025, they didn't uphold Mr G's complaint. In summary they said:

- They were appointed by Mr G in September 2022 following which they recommended a pension transfer and review of his protection.
- FSW recommended the replacement of Mr G's protection policies due to a shortfall in cover.
- Documents were sent to Mr G on 22 May 2023 and then shortly after a cancellation letter was sent to Mr G for him and the Trustees to sign. It was assumed this cancellation letter would be sent back to FSW to be held until replacement cover was in place.
- The cancellation letter was sent to Firm R before a replacement policy was put in place and the two policies Mr G held with Firm R were cancelled on 9 June 2023.
- An attempt was made to reinstate the policies with Firm R but this was unsuccessful.
- An application for new cover was suggested but Mr G decided not to continue as he didn't want to complete another health assessment.
- During the annual review Mr G asked what had happened to the two policies that were held with Firm R, FSW confirmed they had been cancelled.
- FSW agree their communication could have been clearer at times and offered to waive their initial fee to set up the new policies of £3,075.
- FSW did not feel they were responsible for the cancellation of the policies, for failing to let Mr G know that the policies were cancelled, and they denied say Mr G had lied.

An investigator reviewed Mr G's complaint and provided an initial assessment. In summary they said it was FSW's responsibility to act with due skill, care and diligence, pay due regard to the interests of their customers and treat them fairly which they didn't think FSW had. The investigator concluded that had FSW acted promptly when they realised that Mr G's policies had been cancelled, they could have stopped the cancellations from happening. The investigator suggested an award of £500 compensation and asked FSW to make arrangements for new policies on the same terms as those that were cancelled. The investigator said that if the premiums were higher, then FSW should bear the cost of the increase.

Mr G agreed with the assessment, but FSW didn't. Mr G provided a copy of the signed cancellation form that was sent to Firm R, this was signed by Mr G and two additional Trustees on 30 May 2023. The form is stamped as being received by Firm R on 7 June 2023.

FSW responded in summary:

- They carryout pre-underwriting when providing advice but were given incorrect information about Mr G's health. Had they been given the correct information it's

likely they would have advised Mr G that it would be difficult to obtain cover and would have considered a different provider to Firm L.

- Firm A said they would consider covering Mr G with the correct medical information provided to them, but Mr G stopped the underwriting process as he did not want to attend another medical appointment. It might be the case that Firm A will no longer consider providing cover to Mr G due to the time that has passed and possible changes to his health. This was the best chance to put in place replacement cover.
- In December 2024 Mr G again misrepresented details about his health to FSW which led to another provider refusing to provide cover.
- Mr G's actions following the cancellation have prejudiced FSW's position in obtaining replacement cover.

An investigator carried out a fresh review considering the further comments made, but their opinion did not change. FSW asked for the complaint to be referred to an ombudsman for review as they still disagreed. They added that they felt it unfair to be held accountable for a mistake that Mr G had made. And said there should be a consideration of mitigation due to the actions of Mr G following the mistake.

The complaint was passed to an ombudsman for review. I reached out to Firm R and asked them what they would have done had Mr G contacted them prior to the cancellation letter being received. Firm R said that had Mr G called they would have noted his file and not acted on the cancellation when received. I provided this information to both parties and explained that having considered everything my preliminary findings were in line with what the investigator had set out for the same reasoning – had FSW contacted Mr G when they received his email and explained the seriousness of Firm R receiving a cancellation prematurely, the cancellation could have been stopped. As such it is fair and reasonable for FSW to pay compensation.

Mr G agreed with my preliminary findings. FSW responded, they believe that Mr G should be held responsible for some of the loss due to missing opportunities to put cover in place since the cancellation. As no agreement could be reached, I am setting out my 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 am upholding Mr G's complaint. Whilst I have considered everything that has been provided to this service, I don't intend on commenting on each item. Instead, I will focus on what I have determined are the key aspects of the complaint.

There is no argument that FSW sent Mr G a cancellation form which was then signed by him and the Trustees of his insurance policies. That form was sent to Firm R which led to the policies being cancelled. The issue for me to determine is whether FSW acted fairly and reasonably following this error.

On 5 June 2023 Mr G emailed FSW and told them the cancellation letter had been posted to Firm R. FSW has explained that they only send the cancellation forms to consumers to save time once the new policies have been put in place, and it is never their intention for those forms to be sent to the current providers before new cover is put into place. So, on receipt of Mr G's email they became aware that an error had occurred which had serious consequences.

FSW acted quickly, the next working day, to reach out to Firm R. But, I don't think that was enough. FSW knew that Firm R would cancel Mr G's policies on receipt of the signed

cancellation letter, that it was unlikely once cancelled the policies would be able to be reinstated and they knew that Mr G did not have a replacement policy in place yet. I think it would have been reasonable to expect FSW to contact both Firm R and Mr G on the phone due to the time sensitivity of the matter.

Firm R have said that had Mr G called them before they received the cancellation forms in the post, they would not have cancelled the policies.

Had FSW called Firm R they most likely would have advised FSW to ask Mr G to call them – as they did when they responded to FSW's email. And, had FSW called Mr G and explained the gravity of the situation to him and advised him to contact Firm R I think it most likely he would have done so. The cancellation letter was post stamped as received on 7 June 2023, and so, had Mr G called Firm R on 6 June 2023, the cancellation would not have gone ahead.

It is for this reason I am upholding Mr G's complaint and awarding compensation.

I'd like to assure FSW I have considered all the evidence provided to this service. None has been ignored – such as Mr G's decision not to continue with new cover being put into place.

FSW have sought to restrict their liability as they say Mr G could have mitigated the loss incurred had he allowed them to put cover in place between June 2023 and now. They've said it might be that Mr G's health has deteriorated over that time.

I appreciate this point and agree with FSW that it is possible Mr G's health has changed over time. However, he never would have needed to seek alternative cover had FSW acted as they should have done. And I can't see that FSW made Mr G aware of the seriousness of the situation in order to put him into a position that I would consider his actions being of someone who was not mitigating their losses.

FSW told Mr G that they were arranging for his policies to be reinstated at the start of August 2023 and that they were in discussions with their 'rep' at Firm R. So, Mr G wasn't reasonably aware that it was important for him to obtain new cover. Because he had been told that FSW were rectifying things. I can't see that FSW expressed any urgency to him in ensuring Mr G put new cover in place at the time.

Mr G was surprised when he was told the policies had been cancelled in around November 2024 when it was time for his annual review. Based on the evidence I have been provided with I think it's most likely that Mr G was of the impression that FSW were resolving things for him and so he was unaware that he might need to take action to mitigate his situation.

Within my provisional findings I explained Mr G will need to comply with underwriting criteria for redress to be determined. FSW have sought to rely on this as evidence Mr G ought to have done this sooner. However, Mr G is having to go through this underwriting process which he clearly had decided against some time ago in order for things to be put right. That is an inconvenience he would not have incurred had FSW acted correctly and his policy not been cancelled. It is for this reason, and due to the distress he felt realising he didn't have the cover he thought he did that I am awarding £500 compensation.

For the above reasons I find it fair and reasonable to award the full losses to Mr G.

Summary

FSW were aware that the signed cancellation letter had been sent to Firm R. And that it shouldn't have been because Mr G did not have replacement cover. Due to the seriousness of the consequences receipt of the cancellation would have, FSW ought to have contacted both Firm R and Mr G via the telephone. Had they done so, Mr G's policies would not have been cancelled. And he therefore would never have needed to put new cover in place.

Mr G was told by FSW that they were sorting things out, and so he wasn't aware of the urgency in putting new cover in place to mitigate things.

Putting things right

My aim when awarding redress is to put Mr G as close to the position he would have been in, had FSW acted fairly and reasonably. For the reasons set out above, had FSW acted fairly and reasonably Mr G's policies would not have been cancelled. As such I direct FSW to:

- Put in place life cover that is equal to the benefit Mr G was entitled to in relation to the policies which were incorrectly cancelled.
- FSW should calculate:
 - The premiums Mr G will have to pay to maintain the replacement policies for their full term, equal to the original terms – value A.
 - The premiums Mr G would have paid to maintain the original policies that were cancelled, for their full term – value B.
 - Deduct B from A, if there is a positive figure there has been a loss. FSW should pay this amount to Mr G as a lump sum.
- Award £500 compensation for the distress and inconvenience caused to Mr G. It was distressing for him to realise that the cover he thought was in place had been cancelled.
- FSW should not charge Mr G a fee for setting up the new policies. That is because there should not have been any need for new policies to be set up – Mr G would have continued with the policies he already had, had FSW acted as they should have done.

For the above compensation to be calculated Mr G will need to comply with any underwriting requirements. Compensation should be made to Mr G within a reasonable timeframe.

My final decision

I uphold Mr G's complaint and direct FLEET STREET FINANCIAL LTD. trading as Fleet Street Wealth to award compensation as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 12 March 2026.

Cassie Lauder
Ombudsman