

The complaint

Mr S complains that Yorkshire Building Society (YBS) mis-sold him a Legal & General Life Assurance policy alongside a mortgage.

What happened

Mr S complained as he received a letter from the provider, Legal & General, about the plan in 2024. He says that was the first he'd heard about it, and he'd forgotten he'd taken it out due to the lack of paperwork in the years since. He raised a complaint with Legal & General but our investigator didn't uphold it, as he said there was nothing to suggest Legal & General didn't meet its obligations or administer the plan in line with the agreed parameters.

Mr S then raised a complaint about the sale of the plan with YBS. He said to it that the policy didn't meet his needs and was never required.

In response to the complaint YBS said that its records showed the policy was sold when he applied for a mortgage in branch. At the time it was recommended Mr S take out the mortgage protection life insurance alongside critical illness cover. Its records show that at the time Mr S said it was important the mortgage be repaid in the event of his death during the term. It's said its records showed Mr S later contacted YBS to say he didn't wish to proceed with the critical illness cover but still wanted the life cover.

It also said Mr S had paid a premium every month and this would have appeared on his bank statements so he ought to have been aware of the policy and could have cancelled it, if it wasn't required any longer. It said it thought Mr S had also raised his complaint too late.

Our investigator looked into matters and said he thought the complaint had been made in time, he said whilst Mr S had a payment going out as he'd not received any documentation since inception it was reasonable that he could have forgotten what this payment was for. And the investigator said he didn't see what other trigger there would have been at an earlier stage for Mr S to complain – until he received the notification in 2024 from Legal & General.

YBS accepted the investigator's view and so he went on to consider the merits.

The investigator looked into matters but didn't uphold the complaint. He said the cover looked suitable for Mr S's circumstances at the time – the policy was set to end at the same time as the original term for the mortgage and the sum assured decreased in line with the original mortgage amount. The investigator also said Mr S's main point was that the policy was mis-sold because he wasn't told that Legal & General wouldn't send regular updates. However, the investigator didn't believe this would have been something important to consider for Mr S at the time of sale – and so whether or not it had been mentioned wouldn't likely have changed matters.

Mr S didn't agree and asked for an ombudsman's 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.

In response to the investigator's view, Mr S' came back with a number of points including references to case law and the regulatory framework, I've read and considered these points but I don't think it necessary to set them out here. My role is to get to the heart of the matter in reaching a fair and reasonable decision. Before I explain my reasoning here, I would like to say I'm sorry to hear of the difficulties Mr S and his family have suffered recently, I wish them all the best going forward.

Mr S's complaint is that the policy was mis-sold because YBS didn't tell him that the provider, Legal & General, wouldn't be sending him regular correspondence regarding the policy. And that him forgetting about the policy was a foreseeable event and the lack of attention to this at the point of sale, meant the policy was mis-sold and he should have a full refund of premiums. However, whilst I understand Mr S's frustration, it's my view that YBS cannot fairly be held responsible for Mr S forgetting the policy had been taken out.

The policy was suitable for his requirements at the time, and it is clear Mr S made a choice to take it out, as the records from the time show he decided not to go ahead with the critical illness cover but did want to keep the life assurance. I don't think receiving regular updates about a plan would have been an important consideration for Mr S at the time or the adviser in considering the suitability of the plan. And I don't agree that had Mr S been told all he would receive is the schedule of insurance and point of sale documentation that he wouldn't have taken out the policy. I think the consideration of the policy at the time would have come down to cost and whether it met his requirements.

I think this is a complaint made with the benefit of hindsight, I understand how frustrating it must be for Mr S having paid into a policy that he could've amended or cancelled at an earlier date – in line with any changes in his requirements. But the fact he didn't receive updates was down to Legal & General, I also understand Mr S didn't keep it updated with his address. And furthermore, this wasn't a policy that was invested, it was due to run for the life of the mortgage, so there wouldn't have been much to update Mr S about. Mr S also paid the premium every month for twenty years and this would have appeared on his bank statements, this would usually work as a reminder to most that the policy existed. And in the very unlikely event a discussion was had at the time of sale around the potential lack of updates, I think it would be reasonable for any concerns to be quashed by the fact a premium would be required to keep the policy going.

I know Mr S feels strongly about his case but I'm afraid I'm of the view that there are no reasonable grounds to uphold this complaint.

My final decision

For the reasons explained above, I do not uphold this complaint.

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

Simon Hollingshead
Ombudsman