

## The complaint

Mr and Mrs M complain about advice they received from Connells Limited in relation to protection cover on their mortgage. They say they have now been left without adequate cover for their needs.

## What happened

In 2000, Mr and Mrs M received advice from a representative (an adviser at a firm called IMH) of Connells (for ease I will refer to Connells throughout) in relation to protection for their mortgage. Following this advice, they took out two policies providing life cover and critical illness (CIC) for Mr M. These policies were voided by the insurer in 2021, leaving them with no cover.

In late 2021, Mr and Mrs M received further advice from Connells in relation to protection for their mortgage. Following this advice, they took out two joint life cover only policies for their mortgage and a joint CIC policy with a sum assured of £15,000.

In 2024, further advice was given to take out more protection, but following Mr M receiving a medical diagnosis, this application was put on hold and didn't proceed. Around the same time, Mr M attempted to make a CIC claim on his policies covering the mortgage. A successful claim was paid on the CIC policy (with the sum assured of £15,000), but he was told by the insurer he didn't have CIC cover with any of his other protection policies that would pay out.

Following this Mr and Mrs M raised a complaint with Connells about the advice they had previously received, leading them to not have the CIC cover they required in place when they needed to claim.

In December 2024, Connells responded to the complaint. It didn't uphold it. In summary it said:

- It first provided advice in July 2020 to take out life cover and CIC, and the recommendation was amended to suit Mr and Mrs M's budget constraints. The policies were later cancelled by the insurer.
- In December 2021, it reviewed Mr and Mrs M's protection needs. Again, policies were recommended and due to the monthly costs, these were amended to suit their budget restrictions. The CIC claim on one of these was successful, and the policy has since paid out. The policy has been able to be utilised for its intended purposes.

Mr and Mrs M responded and provided further clarification of their complaint. In March 2025, Connells issued a further response. In summary it said:

- The decision to cancel the policies in 2021 was made by the insurer, so it is not in a position to reinstate these policies, as it was the insurer who withdrew this cover. It suggested contacting the insurer if they were unhappy about its decision.
- In respect of the subsequent cover, initially Mr and Mrs M were recommended a higher amount of protection. However, they chose not to proceed with this amount of

cover, as whilst this recommendation did fit within their available affordability, it was for more than they wished to spend on insurances at this time. The policies were amended to reduce the monthly cost to a point that they were comfortable to proceed.

As Mr and Mrs M remained unsatisfied with the responses, they referred their complaint to this service for an independent review. One of our investigators looked into the complaint but they didn't uphold it. In summary they said:

- Mr and Mrs M's circumstances were reviewed by Connells on several occasions between 2020 and 2024, and they were satisfied that at each review, Connells made recommendations to protect their outstanding mortgages. Affordability was considered within the recommendations.
- It was Mr and Mrs M's decision on whether they wish to proceed with the advisor's recommendation or make adjustments where they see fit. It was recorded on the recommendation letter that Mr and Mrs M chose to vary the recommendation, because they wanted to keep costs to an acceptable level.
- The advice given made it clear what cover was being recommended and confirmed the level of cover that Mr and Mrs M felt comfortable taking out at the time.

Mr and Mrs M didn't accept the investigator's findings and provided further submissions. In summary they said:

- At no point did Connells tell them they didn't have CIC for their mortgage. The only scheme they actively refused was income protection, as Mr M was a director of a company and his wage was guaranteed, so income protection was not required.
- Connells says they declined the offer of setting up a critical illness policy and that they were notified they were not insured. This is misleading and inaccurate.
- CIC against their mortgage was their foremost priority due to Mrs M's previous health problems and the fact they were self-employed meant they required adequate cover.
- More recently when they told Connells a claim would be put in for CIC, the broker seemed to distance himself, with no comment at all about their cover. They are of the opinion that he knew they had inadequate cover, which he failed to discuss and did not want to be the one to tell them they were not covered.

### **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.

Firstly, I'd like to acknowledge the impact of the position Mr and Mrs M find themselves in. And I fully empathise with the difficult period they are experiencing in their personal circumstances during the time they have been involved in the complaint process.

Mr and Mrs M have raised concerns about several issues relating to their mortgage and protection needs. For clarity as part of this decision, I'm considering Connells' actions in relation to the advice they received relating to their need for CIC.

From the evidence I've seen, Connells first provided advice and recommended protection policies to Mr and Mrs M in 2020. But these policies were cancelled by the insurer in 2021. I've not seen anything to indicate Connells were involved with the cancellations. So, I don't find the fact the cover these policies provided wasn't in place in 2024 when Mr and Mrs M needed to claim is Connells fault.

They did receive further advice in late 2021 / early 2022. I've reviewed the evidence available from this time. Connells has provided a copy of the recommendation report that was produced. This indicates the initial advice was for Mr and Mrs M to take out two policies providing combined life cover and CIC to support the two elements of their mortgage. The cost of these policies was detailed at just over £650 for both policies. The report notes that Mr and Mrs M chose to vary the recommendation to not include the CIC in order to keep the cost to an acceptable level. A further recommendation report was produced. This time life cover only was recommended for the two policies protecting the mortgage, and a single standalone CIC policy for £15,000. The total cost of these policies was listed as around £300 per month. The report confirms Mr and Mrs M decided to fully protect the mortgage with life cover and the standalone CIC policy meant the cost was at an acceptable level.

I understand Mr and Mrs M do not recollect declining CIC at any point, as they say they needed and wanted this type of cover. However, the evidence available indicates that the cost of providing cover for the full mortgage coverage was a factor in the advice. To take CIC for the whole mortgage arrangement was going to double the cost of their insurances. So, it does seem what was recommended in the end was done so to provide premiums that Mr and Mrs M felt they could pay. While they didn't have full CIC, they do have an element of it, albeit significantly less than their mortgage liability. I don't find this to be unsuitable, and I'm satisfied the initial recommendation to provide full cover was suitable, but it was at Mr and Mrs M's request, rather than due to unsuitable advice that led to the amendment in what policies were actually taken out.

Mr and Mrs M have mentioned that the only cover they turned down was income protection. Connells has provided evidence of advice that was given to Mr and Mrs M in November 2022, which involved taking out income protection. The recommendation report from this time indicates that this cover was declined by Mr and Mrs M, so no policies were taken out. This information appears to collaborate with Mr and Mrs M's recollections that they turned down income protection when it was recommended by Connells.

In conclusion, I haven't found that Connells provided Mr and Mrs M with unsuitable advice. While a customer may have a need for cover, if they find they can't commit to the cost of the premiums then it can lead to amendments being needed in the advice. The available evidence supports this is what happened when Mr and Mrs M were presented with the cost of providing full CIC for their mortgage. It would have been unsuitable for Connells to recommend cover that Mr and Mrs M felt was unaffordable or beyond what they were prepared to commit.

I appreciate this will come as a disappointment to Mr and Mrs M, but I haven't found reason to say Connells has treated them unfairly in the advice provided. So, I won't be asking it to do anything further.

### **My final decision**

For the reasons given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 2 January 2026.

Daniel Little  
**Ombudsman**