

## **The complaint**

Mr M complains that BEST RISK MANAGEMENT AND FINANCIAL SERVICE LIMITED trading as Best Insurance ('Best') mis-sold him an accident, sickness and unemployment protection insurance policy.

Mr M's complaint has been brought to us by a representative. All references to Mr M's submissions include those made via his representative.

## **What happened**

Mr M bought an accident, sickness and unemployment policy from Best in 2023. The policy was purchased over the phone, with a 60-day excess period. The excess period chosen determines the date on which any benefit payments start, with benefits paid monthly in arrears.

Mr M subsequently made a redundancy claim with the policy underwriter and was unhappy with the date from which the benefit payments were said to be due. Mr M complained to Best, saying it hadn't explained the impact of any payment received in lieu of notice on the policy excess when the policy was sold. Mr M said he reasonably believed that benefits were payable to him sooner than the policy underwriter said they were.

Best investigated Mr M's complaint and said it didn't think that payment in lieu of notice was something which needed to be discussed. However, Best said it could have done more to make Mr M aware of how payment in lieu of notice was treated under the policy, so it asked the policy underwriter to reduce the excess period for the claim from 60 days to 30 days.

Mr M remained unhappy and brought the matter to the attention of our Service. One of our Investigators looked into what had happened and said he didn't think Best had acted unfairly or unreasonably in the circumstances. Mr M didn't agree with our Investigator's opinion, so the complaint has now been referred to me to make a decision as the final stage in our process.

## **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.

Mr M brought a separate complaint to our Service about the underwriter of this policy, which was the subject of a final decision by a different Ombudsman earlier this month. I can't comment on any of the underwriter's actions, nor can I revisit any of the findings made by the other Ombudsman. When making this final decision, I can only consider the actions of Best in its capacity as seller of this policy, and I can only address the mis-sale complaint originally raised by Mr M which formed part of Best's final response letter dated 5 November 2024. I'm aware that Best issued a subsequent final response letter to Mr M about a different matter. If Mr M is unhappy with Best's actions since its original final response letter, then this would need to be the subject of a new complaint to our Service.

The Financial Ombudsman Service makes independent and impartial decisions based on what we think is fair and reasonable in the circumstances of each individual complaint. Decisions made by our Service in previous cases and/or information on our website does not set precedent and I'm not bound to follow them.

It's not for Mr M to determine how I deal with his complaint. I don't think a provisional decision is necessary in this case. I'm satisfied that it's appropriate for me, in line with my powers under the rules that govern us, to issue a final decision. While I've considered all the information which both parties have provided, I've not commented on every complaint point raised and I'm not obliged to. We're an informal alternative to the civil courts, and I've addressed only what I think are the key issues.

I've taken into account relevant industry rules about the sale of insurance policies, alongside other relevant considerations such as Consumer Duty principles, when deciding whether I think Best acted fairly and reasonably in the circumstances. I'm satisfied it did and I'll explain why.

- This was a non-advised sale. So, Best needed to give Mr M information about the policy which was clear, fair and not misleading to allow him to make an informed decision about whether to buy it. I've listened to the sales calls between Best and Mr M, and I'm satisfied Best did this.
- Best clearly outlined the 30-day and 60-day excess options available, and Mr M clearly chose the 60-day option. I don't think Best needed to specifically highlight or explain the impact of receiving payment in lieu of notice on how the excess period ran.
- It's not reasonable to expect a policy like this to pay a benefit in circumstances where a policyholder has already received a payment from their employer to cover the same time-period. I don't agree that the policy Mr M purchased meant he would have a six-month wait period. He only had a 60-day wait period, in line with the option he chose, with any benefit being paid monthly in arrears. If Mr M received three months payment in lieu of notice from his former employer then he was still, in effect, being paid for a three-month period. So, there was no loss of income for that three-month period for the policy to step in and provide cover for.
- I don't agree with Mr M's submissions that Best's comments during the sales calls means there was shared understanding between Mr M and the sales agent about when benefits would be payable from, or with Mr M's submissions about what he thinks the agent should have said. I also don't think Best needed to specifically highlight that any benefit payment would be made in arrears. Best sent Mr M all the information it needed to after the sale. So, I don't think this policy was mis-sold.
- As I don't think Best should have done anything differently here, I don't think it needed to ask the underwriter to reduce the excess period to 30 days in response to Mr M's complaint. Best, nonetheless, did this and I think this was fair and reasonable in the circumstances.
- Even if I were to accept that this policy was mis-sold to Mr M (which, for the avoidance of doubt, I don't), there are no reasonable grounds upon which I could tell Best to treat the policy as disregarding any payment received in lieu of notice. And, I wouldn't consider it fair and reasonable for Best to put Mr M into the position he *thought* he should have been in. That's not the approach which our Service generally takes to complaints involving the mis-sale of an insurance policy.

- If I thought this policy had been mis-sold, I'd instead consider what I think is most likely to have happened, on the balance of probabilities, if Best had provided clearer information. I'm satisfied based on the explanations which Best has provided to our service that it would never have offered Mr M a policy with a 'Back to Day 1' excess. This isn't an option which it offered at the time Mr M bought his policy. Best has explained why the policy documentation still refers to this option and I see no reason to doubt its position in this regard.
- I accept what Mr M has said about other 'Back to Day 1' policies being available on the market. Based on all the circumstances of this case (including what was discussed during the sales calls and the likely price of such cover), I don't think it's likely Mr M would have acted any differently and sought an alternative policy on the market either. Mr M seems to have been seeking a policy which would pay a benefit from the first day of redundancy, regardless of any payment in lieu of notice received. This isn't how income protection insurance policies work. So, even if I were to reach a different outcome and conclude that Best mis-sold this insurance policy, I think the most Mr M would likely have done differently was to choose the shortest excess period offered by Best, and this was a 30-day one which ended up being applied to the claim. But, as I've already explained, this makes no difference anyway as I don't think the policy was mis-sold.
- As I don't think Best acted unfairly or unreasonably in the circumstances, there are no grounds upon which I could fairly ask it to pay compensation to Mr M. I have no power to comment on issues relating to complaint handling, as this isn't a regulated activity. Mr M's submissions about how the claim was handled were the underwriter's responsibility, not Best's and I've already explained that I can't consider these complaint points here.

I'm sorry to hear about Mr M's financial difficulties, and about the situation he faced previously, but I won't be directing Best to do anything more.

### **My final decision**

My final decision is that I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 10 February 2026.

Leah Nagle  
**Ombudsman**