

## The complaint

Miss C complains about the service she's received from Aviva Life & Pensions UK Limited regarding her permanent health insurance (PHI) policy.

## What happened

Miss C took out a PHI policy in 1995. The policy was originally with Winterthur Life but is now owned by Aviva. In 2020, Aviva wrote to Miss C to inform her that the premiums weren't sufficient to maintain the policy. The policy then lapsed. Miss C raised a complaint with Aviva at that time. In August 2022, Aviva wrote to Miss C to tell her that they'd overcharged her for the policy and sent her a cheque for the overpayments. Miss C didn't understand what the refund was for and raised an enquiry with Aviva. Following this contact with Aviva, Miss C raised the following complaint points to Aviva:

- She received a redress cheque and didn't know why this was
- She didn't receive information about the complaint's procedure, a name on the letter for who it was from or a return address
- She was transferred 6 times during one call to speak to the correct person
- Aviva are missing her personal information in relation to the policy from between 1995-2005
- Aviva didn't investigate a complaint she made in 2020

Our investigator didn't uphold Miss C's complaint. They agreed Aviva could've provided a better service to Miss C, but they said the compensation offered by Aviva was fair for the trouble and upset caused.

In response to the Investigator's outcome, Miss C has raised the following points:

- Why was she being over charged premiums for the cover
- There was no investigation into the breach of regulations by Aviva
- She hasn't been paid or refunded any premiums
- Why was the policy lapsed in 2020 despite raising a complaint

The list is my interpretation of the points raised by Miss C and in my own words. I've combined complaint points which I believe are duplicated and left out points which can't be considered under this complaint.

Miss C has also raised with our service that she believes the policy wasn't suitable for her and as a result was mis-sold. This point hasn't been raised with Aviva and under the rules of the regulator, we're not able to comment on this until they have. Miss C will need to raise this

as a new complaint with Aviva before we can investigate it.

The complaint we can consider has been passed to me to decide. I issued a provisional decision, to give both parties a chance to comment on my initial findings before I reached my final decision.

### **What I provisionally decided – and why**

In my provisional decision, I said:

*“I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.*

*At the outset I acknowledge that I’ve summarised her complaint in far less detail than Miss C has, and in my own words. I’m not going to respond to every single point made. No discourtesy is intended by this. Instead, I’ve focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it’s an informal dispute resolution service. If there’s something I’ve not mentioned, it isn’t because I’ve overlooked it. I haven’t. I’m satisfied I don’t need to comment on every individual point to be able to reach an outcome in line with my statutory remit.*

*I’ve set out my response to each complaint point separately for ease of reference. Where complaint points are similar, I’ve grouped them together.*

#### **Miss C received a redress cheque and didn’t know why this was/ Why was she being over charged premiums for the cover**

*When Aviva sent Miss C a cheque, they included some basic information on the reason for the cheque. Upon Miss C’s request, Aviva provided further information to Miss C in a letter on 27 September 2022. Whilst I appreciate more information could have been provided by Aviva initially, I don’t think the amount of information they provided at that time was unreasonable. They also followed this up with additional information after Miss C’s request.*

*I do think that Aviva has now provided Miss C with a satisfactory response to why she was overcharged/received a refund.*

#### **Miss C didn’t receive information about the complaint’s procedure, a name on the letter for who it was from or a return address**

*Aviva has accepted they could have done better on this point. I’m pleased to note Aviva has apologised and awarded compensation. I’ve commented more on the compensation offer below.*

#### **Miss C was transferred 6 times during one call to speak to the correct person**

*I can understand why Miss C found this frustrating, however, Aviva has accepted they could have done better on this point. I’m pleased to note Aviva has apologised and awarded compensation. I’ve commented more on the compensation offer below.*

## **Aviva are missing her personal information in relation to the policy from between 1995-2005**

*Aviva has confirmed that due to numerous mergers and acquisitions, they don't have this information. Aviva has apologised and awarded compensation. I've commented more on the compensation offer below. I also note that Miss C has made the Information Commissioner's Office (ICO) aware of this issue. The ICO has also been in contact with Aviva.*

## **Aviva didn't investigate a complaint she made in 2020**

*The act of complaint handling isn't a regulated activity and as such, isn't something that our service can investigate.*

*However, Miss C has sent us copies of letters she was sent by Aviva in 2020. As part of these letters, Miss C received acknowledgement of her raising a complaint dated 15 September 2020. She has also sent us a copy of a response to the complaint dated 30 September 2020. This shows that Aviva did investigate a complaint for her.*

## **No investigation into the breach of regulations by Aviva**

*Aviva have advised that they identified the breach and informed the financial regulators (FCA) about it. They then wrote to anyone impacted by the breach and sent them refund payments, as Miss C has received. I don't think Aviva needed to do anything more in this situation.*

## **Miss C hasn't been paid or refunded any premiums**

*Aviva sent Miss C a cheque with their original letter dated 22 August 2022. This was to cover a refund of the overcharged premiums. I've asked Aviva for confirmation that this was paid in by Miss C and they've confirmed that the cheque was cashed on 3 December 2022.*

## **Why was the policy lapsed in 2020 despite raising a complaint**

*Aviva responded to Miss C's complaint in 2020 on 30 September. However, her policy didn't lapse until after this date with Aviva writing to Miss C to let her know on 20 October 2020. I don't think Aviva has done anything wrong.*

## **Compensation**

*Aviva has paid Miss C a total of £450 in compensation. This was split as £200 for the call and letter issues and £250 for the missing data. It's not for our service to regulate or punish insurers, this is the role of the regulators. I recognise the distress Aviva's failures has caused Miss C. However, having considered everything, I do think the compensation is fair and reasonable in the circumstances. I don't think Aviva needs to pay Miss C anymore."*

Therefore, I wasn't going to be asking Aviva to do anything else as I thought the compensation they had already offered was reasonable.

## **Responses to my provisional decision**

Neither party responded to my provisional 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.

I've thought carefully about the provisional decision I reached. Having done so, and as neither party has provided anything which could lead me to change my provisional decision, my final decision remains the same as my provisional decision, and for the same reason

### **My final decision**

Aviva Life & Pensions UK Limited has already made an offer of £450 compensation to settle the complaint and I think this offer is fair in all the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 16 May 2024.

Anthony Mullins  
**Ombudsman**