

The complaint

Miss M complains that Legal and General Assurance Society Limited won't refund premiums paid on policies she previously held, following a claim on her most recent policy being declined, as a result of misrepresentation by the joint policy holder.

Miss M is represented, but I'll refer to Miss M throughout, rather than her representative.

What happened

To summarise, in 2014, Miss M and Mr B took out life insurance with L&G. Unfortunately, Mr B died in 2022. Miss M claimed under the policy, but L&G declined the claim, saying Mr B had misrepresented his health circumstances on application.

The declined claim was the subject of two previous complaints to this service, ultimately resulting in a final decision being issued in June 2023. That decision did not uphold the complaint, saying L&G had acted fairly and in line with the relevant law – the Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA) – in declining the claim. L&G offered to refund premiums, should Miss M not wish to continue with the policy. Our ombudsman found this was fair, saying Miss M would need to advise L&G how she wished to proceed.

Miss M made a further complaint to L&G. She thought L&G should refund the premiums paid towards previous policies as, in light of Mr B's now known medical history, she'd been told he would never have been accepted for those policies.

L&G didn't uphold Miss M's complaint, issuing a final response in October 2023. It said the claimable event – Mr B's death – occurred when the earlier policies were no longer live. So consideration of refunding premiums following misrepresentation was only in relation to the policy in force at the time.

Miss M remained unhappy so came to the Financial Ombudsman Service. An investigator looked into things for her, but didn't think L&G had acted unfairly. Miss M disagreed, so the complaint has come to me for a 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'm not upholding this complaint. I recognise this will disappoint Miss M and I'm sorry about that. I'll explain my reasons, focusing on the key points and evidence I consider material to my decision.

L&G has provided information about previous policies held by Miss M and Mr B. These policies date back to 2007, with each subsequent policy replacing the previous one. I'm

aware Miss M believes there was an earlier policy, dating back to approximately 1999. I've not seen any confirmation of this, but don't doubt Miss M's recollection. I'm mindful L&G has indicated limited information is now available, due to the passage of time.

I understand Miss M feels it was unfair for L&G to use information from previous policies when declining the claim, but refuse to refund the premiums paid towards those policies. I can't comment specifically on the claim outcome, as an ombudsman's final decision has been issued. However, I do note that the final decision made reference to the medical evidence on which L&G based its decision.

The offer to refund premiums for the most recent policy was fair under CIDRA because that was the policy under which the claim was made following Mr B's death. Previous policies were no longer in force and were not considered in relation to the claim. Where a misrepresentation has come to light, there's no requirement for an insurer to review past policies that are no longer live. I understand Miss M's point about Mr B's medical history having an impact on those historic policies. But this would only have been relevant had a claim been made under one of those policies. And, as has already been pointed out by our investigator, those were joint policies which would also have provided cover in the event of Miss M's death.

I appreciate this will leave Miss M with some unanswered questions. But I'm satisfied L&G hasn't acted unfairly with regard to Miss M's request to refund the premiums paid towards previous policies. So I'm not going to ask L&G to do anything more in respect of this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 14 June 2024.

Jo Chilvers
Ombudsman