

The complaint

Mr F is unhappy with the way in which The Royal London Mutual Insurance Society Limited handled a critical illness claim made on his business assurance plan ('the policy').

What happened

Early in 2023, Mr F made a critical illness claim on the policy in respect of a heart issue he experienced a few years before.

Mr F raised concerns about the delays in assessing his claim, The Royal London not responding to emails and not keeping him updated.

By way of a final response letter dated November 2023, The Royal London said it was still waiting for a report from his GP and consultant. However, it accepted that it hadn't kept Mr F updated regarding the outstanding information. It apologised and offered Mr F £150 compensation to acknowledge its error.

Our investigator looked into what happened and recommended The Royal London increase the compensation amount to £250 to reflect the impact on Mr F.

The Royal London agreed to do this. Mr F didn't agree with our investigator's recommendation.

Both parties were given until 10 July 2024 to provide any further points or information for the ombudsman to consider. No substantive response was received, and this complaint has now been passed to me to consider everything afresh to decide.

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.

So that everyone is clear, I'm only considering what happened up to the date of The Royal London's final response letter dated November 2023.

I know that The Royal London has since decided to decline the critical illness claim. I understand that Mr F has complained to The Royal London about that decision and if he's unhappy with The Royal London's response to that complaint, he's free to raise a further complaint to the Financial Ombudsman Service within the stipulated timeframes.

The Royal London has an obligation to handle claims fairly and promptly.

For the reasons set out above, I'm satisfied that it hasn't done so in the circumstances of this complaint.

- Looking at the communications and internal notes provided by The Royal London from earlier in 2023, I'm satisfied that it was proactively trying to obtain the medical

information it required to help assess Mr F's claim. Although, I think at times it could've chased for information it needed more quickly, I don't think doing so would've resulted in The Royal London obtaining that information by June 2023. That's because, despite sending a number of chasers, this hadn't been received. So, overall, I don't think I can reasonably hold it responsible for the lack of progress in obtaining medical information up to the beginning of June 2023.

- However, I'm satisfied that The Royal London stopped chasing for medical information in early June 2023 and didn't make any further attempts to do so until early October 2023. I'm satisfied that The Royal London hasn't been able to provide a valid reason for this and I don't think that delay was reasonable.
- I'm also satisfied that it stopped communicating with Mr F during this time and it accepts that it failed to promptly respond to emails he sent in early October 2023.
- I'm satisfied that Mr F would've been left feeling upset and frustrated by the delay and he was put to the trouble of having to contact The Royal London more than one to find out what was going on. I think this would've also been frustrating.
- I'm satisfied that had The Royal London continued to proactively chase for the medical information between June and October 2023, it's likely that it would've received the medical information earlier than it did, enabling it to have assessed Mr F's claim and provide an outcome sooner.
- I'm satisfied £250 compensation fairly reflects the impact The Royal London's errors had on Mr F in the circumstances of this case.
- I don't think it would be reasonable for me to direct The Royal London to refund Mr F the premiums he's paid for the policy since it began. The Royal London has been on risk of a successful claim being made on the policy during that time. When considering fair and reasonable compensation to be paid to Mr F to reflect the distress and inconvenience The Royal London caused him, I've focused on the impact of its errors. And I've placed less weight on the monthly premium amounts paid by Mr F and the period over which they've been paid because I don't think those are relevant considerations when thinking about the impact.
- Mr F has also referred to other decisions made by the Financial Ombudsman Service. However, I've focused on the circumstances of this complaint when determining what's fair and reasonable, as I'm required to do.

Putting things right

I direct The Royal London Mutual Insurance Society Limited to pay Mr F £250 compensation for distress and inconvenience.

If it's already paid compensation in the sum of £150 (referred to in its final response letter dated November 2023), it can deduct this from the amount to be paid to Mr F.

My final decision

I uphold Mr F's complaint to the extent set out above and direct The Royal London Mutual Insurance Society Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 19 August 2024.

David Curtis-Johnson
Ombudsman

