

The complaint

Mr M has complained that The Royal London Mutual Insurance Society Limited didn't offer cover for type 1 Diabetes under his critical illness policy.

What happened

The background to this complaint is not in dispute. In summary Mr M took out a critical illness policy through an independent financial adviser in 2016. In 2024 he wished to claim for his child who had been diagnosed with type 1 Diabetes. Mr M had looked online and had seen that Royal London had started to include this cover in its critical illness policies in 2023.

Royal London explained that his policy didn't include this enhanced cover.

Unhappy Mr M referred his complaint here. Our investigator didn't recommend that it be upheld, she didn't find that Royal London had done anything wrong.

Mr M appealed.

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, although I've summarised the background to this complaint I've carefully considered all Mr M has said to us. In this decision though I've focused on what I find is the key issue here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. Having done so I agree with the conclusion reached by the investigator for the following reasons:

Mr M doesn't suggest that he didn't receive his policy documents or that it wasn't clear as to what was covered. Rather he feels, understandably, that as Royal London later decided to include cover for type 1 Diabetes it should have been offered to existing customers. I can appreciate how disappointing it was for Mr M to be advised that although Royal London did now offer cover for Diabetes type 1, this didn't apply to his policy.

For the avoidance of doubt, Royal London isn't obliged advise existing policyholders of new products or cover, or even to offer cover greater than that set out in the Association of British Insurers' Guide to Minimum Standards for Critical Illness Cover. The cover provided by Mr M's policy accords with the relevant Guide and is as set out in his policy booklet and priced accordingly.

I understand the points Mr M has made about the article he read in which Royal London explained that it had widened its critical illness cover. Although Royal London doesn't say in that article that the expansion applied to existing policies, Mr M says it led him to believe that his policy had 'evolved' and 'updated'. This is unfortunate and no doubt caused Mr M huge disappointment when he was told, correctly, that the changes didn't apply to his policy. I can't conclude though that Royal London gave incorrect information – either to Mr M or more

generally.

Mr M also raised an issue regarding a data breach, Mr M accepts that the issue arose due to information being entered incorrectly by his financial adviser but says that Royal London have taken no responsibility for their poor system and procedures. Our investigator advised data breaches are generally dealt with by the Information Commissioner's Office, and Mr M had indicated that he planned to highlight the matter to that office. I make no findings regarding a breach of his personal data by Royal London.

Royal London has a regulatory duty to conduct its business with integrity and it must pay due regard to the interest of its customers and treat them fairly. I recognise Mr M's strength of feeling but I don't find that Royal London acted in breach of these principles or otherwise treated Mr M unfairly. It follows that there is no basis for me to require Royal London to pay the policy benefit in respect of a claim for type 1 Diabetes. I'm sorry that my decision doesn't bring him welcome news.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 24 February 2025.

Lindsey Woloski
Ombudsman