

The complaint

Mr and Mrs M have complained that The Royal London Mutual Insurance Society Limited, trading as Royal London (“RL”) unfairly declined Mr M’s terminal illness claim.

What happened

Mr and Mrs M bought a joint life insurance policy from RL in 2010. This provided them with £100,000 worth of cover during the term of the policy – which will end in late 2026. And it provides for payment of the sum assured to be made if either of them is diagnosed with a terminal condition which meets the policy terms.

Mr M was sadly diagnosed with motor neurone disease in 2024. So he and Mrs M contacted RL to make a claim. They provided RL with the information they requested to consider the claim, including authority to obtain a report from Mr M’s doctor.

Having gathered and reviewed the information, RL declined the claim on the basis that they will only settle claims where claimants have a life expectancy of less than 12 months. Information provided by Mr M’s doctors said they couldn’t be precise about his life expectancy.

Mr and Mrs M complained to RL, but RL didn’t change their decision. So Mr and Mrs M brought their complaint to the Financial Ombudsman Service.

Our investigator reviewed the information received from both parties and concluded RL didn’t need to do any more to resolve the complaint. She explained that, for a claim to be successful, Mr M needed to satisfy the policy conditions. As he hadn’t done so, she couldn’t say RL’s decision to decline the claim was unreasonable.

Mr and Mrs M didn’t accept the investigator’s view. So the matter’s been passed to me to make 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 Mr and Mrs M’s complaint. I know they’ll be distressed by my decision and I’m sorry about that. I hope it will help if I explain my reasoning.

I understand why Mr and Mrs M want to claim. They’ve paid for the policy for a long time. And they’ve explained the financial impact Mr M’s diagnosis has had on them – in addition to having to manage the news of his diagnosis and his condition. But I can only say RL should do something different if I’m satisfied that they’ve not considered the claim fairly and reasonably, in line with the policy terms.

The relevant section of Mr and Mrs M’s policy defines terminal illness as:

“An advanced or rapidly progressing incurable illness where, in the opinions of an attending consultant and our chief medical officer, the life expectancy of the person covered is no greater than 12 months.”

There's no suggestion here that Mr M's condition doesn't meet the first part of the definition. The issue is around the second part - his life expectancy.

I think the term clearly sets out what needs to happen for a payment to be made – RL need Mr M's consultant to submit they don't expect him to live longer than 12 months. Unfortunately for his claim, Mr M's consultant hasn't said that. Rather they've said:

“We are unable to be precise regarding expectancy”.

Given that statement, and without any further evidence to show it's no longer correct, I think RL's decision to decline Mr and Mrs M's claim at this time was reasonable.

I know Mr and Mrs M are concerned that the time available to them to make a claim is limited because the policy term ends in late 2026 – and the policy doesn't allow them to make a terminal illness claim within the last 12 months of the term. I understand that concern. And, while I wouldn't wish Mr M's health to deteriorate, if it does reach the point where his consultant can give an opinion on his life expectancy that brings him within the policy definition, he and Mrs M can ask RL to review their decision.

RL have confirmed to the investigator that they will continue to assist Mr and Mrs M should they contact them – which is what I'd expect RL to do. But, for the reasons I've explained, don't think they need to do any more to resolve Mr and Mrs M's complaint at this time.

My final decision

For the reasons I've explained, I'm not upholding Mr and Mrs M's complaint about The Royal London Mutual Insurance Society Limited, trading as Royal London.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr M to accept or reject my decision before 2 May 2025.

Helen Stacey
Ombudsman