DRN-5498820

The complaint

Mrs H and Mr Y have complained about Legal and General Assurance Society Limited's ("L&G") handling of a critical illness claim.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I'll focus on giving the reasons for my 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'd like to reassure the parties that I've carefully considered all that they have sent to us. In this decision though I've focused on what I find is the key issue – here the adequacy of the compensation payment made by L&G. 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 our investigator. I'll explain why.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly. So, I've looked at the claim journey here to see if L&G acted in line with these requirements when settling the claim.

Two claims were first made in February 2024 – L&G has accepted that it incorrectly assessed these individually rather than together. Two sets of information were requested which in turn meant that different updates were sent to Mrs H. I'm pleased to note that L&G acknowledged this would have been confusing and offering £400 in compensation.

As L&G explained premiums did still need to be paid so I don't find that comparing the offer of compensation to the amount paid in premiums is relevant. That said I do find that there were unnecessary delays that would have caused frustration and distress at what must have been a very difficult time for Mrs H and Mr Y.

The request for medical evidence wasn't dispatched and then Mrs H needed to chase on more than one occasion to find out what was happening with the claims. Mrs H has said that it was distressing to receive text messages and emails over several months telling her that L&G was waiting for information and suggesting that she contact the medical professionals to speed up the process – which she then did. She found this put a strain on her mentally, she started to doubt whether L&G found her claim credible, which again was very stressful. Added to this when Mrs H called she was given differing explanations as to what was happening.

The claims were paid on 3 August 2024, having been made on 16 February 2024. Although I accept that that L&G is not responsible for the speed in which medical information is given by the medical professionals, I'm satisfied that some delay in assessing the claims was due

to L&G. The process went on over months rather than weeks and this was at a time when Mrs H was also dealing with her diagnosis. I accept that she was caused considerable distress, upset and worry by the communication issues and delays. In these circumstances I find that a total award of compensation of £600 is merited.

My final decision

My final decision is that I uphold this complaint. I require Legal and General Assurance Society Limited to pay Mrs H and Mr Y a total of £600 in compensation. It may deduct any compensation payment already made in respect of this claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr Y to accept or reject my decision before 20 June 2025.

Lindsey Woloski
Ombudsman