

The complaint

Mr and Mrs B complain that The Royal London Mutual Insurance Society Limited declined to pay a claim Mr B made under their life and critical illness policy.

What happened

The history to this complaint is well known to the parties, so I won't repeat all the details here. In brief summary, in September 2002, Mr and Mrs B took out life and critical illness cover. In the latter half of 2024, Mr B sought medical attention for a lump. This was subsequently removed and, following analysis, Mr B was diagnosed with cancer.

In January 2025, Mr B made a critical illness claim. But Royal London declined to pay the claim, saying Mr B didn't meet the policy definition of cancer.

Mr and Mrs B came to the Financial Ombudsman Service, but our investigator didn't uphold their complaint. So Mr and Mrs B asked for an ombudsman to review everything and issue 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 know this will be disappointing news for Mr and Mrs B and I'm sorry about that - particularly as I appreciate Mr and Mrs B have been through a difficult and challenging time, following Mr B's ill-health and diagnosis. I'll explain my decision, focusing on the points and evidence I consider material to the outcome. So, if I don't refer to a specific point or piece of evidence, it's not because I haven't read and thought about it. Rather, I don't think it changes things.

Critical illness insurance provides cover for defined events, illnesses and conditions. But it doesn't provide cover for all ill-health events in all circumstances. Mr and Mrs B took out cover in 2002. So any claim against the policy is assessed on the terms and conditions in place when the policy was accepted.

I've reviewed the terms of Mr and Mrs B's policy. For his claim to succeed, Mr B needed to meet the policy definition for cancer, shown below.

'A malignant tumour characterised by the uncontrolled growth and spread of malignant cells and invasion of tissue. The term cancer includes leukaemia and Hodgkin's disease but the following are excluded:

- *all tumours which are histologically described as pre-malignant, as non-invasive or as cancer in situ;*
- *any skin cancer other than malignant melanoma.'*

I've reviewed the medical evidence. I've noted that Mr B first saw his doctor about a lump in June 2024. In July 2024, Mr B saw a consultant, Mr S. In a follow-up letter, Mr S said:

'On examination [the lump] has all the features of a lipomatous (fatty) lesion which on analysis will either be a benign lipoma or more likely an atypical lipomatous tumour. [This] is an indolent fatty tumour which will slowly grow over months/years. It does not have any risk of spreading elsewhere in your body. The treatment is usually complete surgical excision and it has a small risk (10%) of growing back in the same place over the next 10 years.'

Mr B underwent the complete excision of this tumour in September 2024. He saw Mr S again in October 2024. In his follow-up letter, Mr S confirmed Mr B's diagnosis as atypical lipomatous tumour, saying, *'this tumour as a small risk (5%) of growing back in the same place local recurrence, but no risk to spread into your body or causes metastasis.'* [sic]

Finally, in an email exchange between Mr B and his consultant Mr S, in April 2025, Mr S said:

'Your tumour falls in a slightly grey area - and whether they are classified as malignant or in the intermediate group (between malignant and benign) often depends on the insurance company's accepted definition of malignant. They are locally aggressive and can infiltrate, but does not have a potential to spread of [sic] metastasize. They do carry a risk to change (dedifferentiate) into a more aggressive tumour with a potential to metastasize - but your tumour did not have evidence of dedifferentiation.'

Having reviewed everything, I'm satisfied the policy definition for cancer was not met. I think Royal London's claim decision was fair, as the medical evidence did not confirm any spread of malignant cells or invasion of tissue, or indeed, dedifferentiation.

I'd like to assure Mr B I've reviewed his arguments carefully, including his final submission to us. To reiterate, the relevant definition here is the definition of cancer in Mr B's policy terms. Those terms define malignant tumour as one characterised by the uncontrolled growth and spread of malignant cells and invasion of tissue. Mr B has also argued against what he sees as formulaic strictness or rigid definitions. But as I've said previously, critical illness insurance doesn't cover all ill-health events in all circumstances. The extent of Mr B's cover is defined in his policy. And I don't think Royal London has acted unreasonably in relying on its policy definition. The definition would be met in many cases, but unfortunately for Mr B, not in his.

I appreciate Mr and Mrs B feel very strongly about this situation and likely will be unhappy with my decision. But as I don't think Royal London acted unfairly in declining his claim, I'm not going to ask it to do anything further in respect of this complaint. Once again, I'm sorry to send unwelcome news.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr B to accept or reject my decision before 6 November 2025.

Jo Chilvers
Ombudsman