

complaint

Mr R's unhappy with The Royal London Mutual Insurance Society Limited's (trading as "*Bright Grey*") handling of his income protection insurance policy and his claim made under it.

background

Mr R made a claim in February 2014 after stopping work. Bright Grey investigated the claim before paying it in August 2014. While investigating, Bright Grey felt Mr R had suffered with back problems that should have been disclosed to it when he first bought the policy. So it added an exclusion clause for the condition to the policy from the start.

Mr R complained that Bright Grey should have handled the claim better. And that, if it had, the claim would have been paid sooner, saving him distress and inconvenience. He also wanted the exclusion clause removed. Bright Grey agreed there had been delays, but felt it hadn't been responsible for them. Mr R complained to us.

Our adjudicator recommended the complaint be upheld in part. She said Mr R had taken reasonable care when applying for the policy, meaning Bright Grey shouldn't now add the exclusion clause it had. She also felt Bright Grey had handled the claim fairly and that no compensation was due.

Bright Grey accepted the recommendations. The complaint was passed to me to look into afresh because Mr R felt Bright Grey took too long to pay his claim and would have taken even longer had he not intervened. He was happy with the adjudicator's recommendation, and Bright Grey's response, regarding the exclusion clause.

my findings

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've decided to uphold the complaint in part. I'll explain why.

In terms of the back exclusion Bright Grey added to the policy after Mr R claimed, the parties now agree with the adjudicator that this shouldn't be added. For that reason, I won't discuss that part of the complaint in detail here. Apart from to say I agree that Bright Grey unfairly added the exclusion clause because I don't believe Mr R was careless in answering its questions when he applied for the policy. As a result, Bright Grey should ensure Mr R's policy doesn't include a specific exclusion clause for back conditions.

Which leads me to the part of the complaint the parties still don't agree with each other about. Namely, Bright Grey's handling of Mr R's claim. I can understand Mr R's frustration, upset and worry about what was happening with his claim. Especially at a time when he was suffering poor health that had led to him having to stop work.

That said, before I can tell Bright Grey to pay compensation, I need to see evidence that it delayed the claim for longer than was necessary.

I can see it took some time for Bright Grey to get the information it needed to assess the claim. But I think the information it asked for was genuinely necessary before it could pay

any benefits. It seems Bright Grey received Mr R's claim form towards the end of February 2014. Bright Grey contacted his treating specialist but the claim was delayed by two weeks since the specialist wasn't able to reply until Mr R had contacted him. Meanwhile Mr R's GP hadn't provided the information Bright Grey had asked for until the second week of April 2014.

Bright Grey had also written to Mr R's employer but didn't get a reply until mid-June 2014. Mr R provided more information about his employment around two weeks later. Bright Grey then investigated what it thought was Mr R's non-disclosure of back problems, which meant it didn't have all the information it needed before it could pay the claim until mid-July 2014. It assessed all the information and eventually told Mr R it was paying the claim in early August 2014.

Overall, I don't think Bright Grey's handling of the claim was such that it caused unnecessary delay or that it should pay Mr R compensation.

my final decision

For the reasons given, I've decided to uphold this complaint in part. I require The Royal London Mutual Insurance Society Limited to remove the specific exclusion clause for back conditions it added to Mr R's policy after he made his claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 15 February 2016.

Nimish Patel
ombudsman