

The complaint

Mr S complains that The Royal London Mutual Insurance Society Limited trading as Scottish Provident mis-sold him a personal income protection insurance policy.

What happened

In July 2001, Mr S took out a personal income protection insurance policy through an independent financial adviser (IFA) I'll call T. The policy was provided by Scottish Provident and offered cover if Mr S was incapacitated from carrying out 'work tasks'.

Unfortunately, in 2024, Mr S became unable to work. So he made an incapacity claim on the policy. But the claim was declined on the basis that Mr S didn't meet the 'work tasks' definition of incapacity.

Mr S believes that he was mis-sold the policy because he says he was told it would pay-out if he was unable to work for any reason once the deferred period had ended. So he complained to Scottish Provident.

Scottish Provident told Mr S that it wasn't responsible for selling him the policy. It said that T had sold Mr S the policy and so it would've been responsible for looking into Mr S' complaint about how the policy was sold. But as T had stopped trading some years ago, Scottish Provident passed on details about Mr S' complaint to the Financial Services Compensation Scheme (FSCS).

Mr S was unhappy with Scottish Provident's response. So he complained to us about Scottish Provident and the sale of the income protection insurance policy.

Our investigator didn't think Scottish Provident was responsible for selling the policy to Mr S. He felt the paperwork from the time of sale showed that T had sold the policy to Mr S. He recommended that Mr S should contact the FSCS.

Mr S disagreed and so the complaint's been passed to me to decide.

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, whilst I'm sorry to disappoint Mr S, I've come to the same conclusion as our investigator and I'll explain why. In reaching this decision, I've taken into account relevant considerations, such as the regulator's rules, industry principles and the available evidence.

I've looked very carefully at the available evidence from the time of sale. I'm mindful that it took place around 24 years ago, so it's understandable that Mr S may not now recall exactly who sold the insurance policy to him.

Mr S has provided us with a report which was prepared for him by T's adviser, on 27 June 2001. The top of the report is headed 'Independent Financial Services' and it lists T as the

selling firm, stating T's contact details.

Scottish Provident has also sent us a copy of the application form for the policy, which was sent to it by T. This records the 'IFA' name as an adviser working for T and sets out T's contact details. This is also recorded in Scottish Provident's application summary.

I've also looked carefully at the regulator's register. There's no indication that T was ever an appointed representative of Scottish Provident or that T sold insurance on behalf of Scottish Provident.

So I think the evidence shows, on balance, that T was acting on Mr S' behalf when it sold him the income protection insurance policy. And this means that Scottish Provident isn't responsible for the sale of the policy because it didn't sell it to Mr S. As such, as I can't fairly or reasonably hold Scottish Provident responsible for anything T might have done or said when its adviser arranged the contract. Or for any potential failure by T to send Mr S the relevant post-sale documentation. Nor can I fairly or reasonably tell Scottish Provident to pay Mr S any refund of premiums or compensation.

I've checked the FSCS website, which shows that T is no longer trading and that therefore, the FSCS may be able to consider Mr S' complaint about the sale of his income protection insurance policy by T. Scottish Provident's passed details about Mr S' complaint to the FSCS. But it's open to Mr S to also get in touch with the FSCS directly to chase up the matter should he wish to.

I appreciate Mr S may also be unhappy with the decision to decline his incapacity claim. As this complaint related to the way the policy was sold and it isn't clear that Mr S has complained about the claims decision itself, it wouldn't be appropriate for me to comment on whether the claim was fairly handled or not. Mr S may be able to make a complaint about the decision to turn down his claim to Scottish Provident should he want to. If he's unhappy with the outcome of any complaint about his claim itself, he may be able to make a new complaint to us about that issue alone.

My final decision

For the reasons I've given above, 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 S to accept or reject my decision before 29 July 2025.

Lisa Barham
Ombudsman