

The complaint

Mrs J has complained that Scottish Widows Limited unfairly maintained its decline of her income protection claim.

What happened

Mrs J has income protection cover, underwritten by Scottish Widows. This would pay a benefit if Mrs J was unable to work due to illness or injury throughout the deferred period and beyond.

Mrs J made a claim which Scottish Widows declined as it said Mrs J didn't meet the policy terms and conditions. Mrs J needed to show that she could not perform at least two out of the six activities of daily living or activities of daily work, as someone who wasn't in gainful employment. Alternatively, she would need to meet the conditions of 'blindness' or 'severe mental health'. Mrs J referred that complaint to the Financial Ombudsman Service previously which was looked at by our investigator. He didn't uphold her complaint, meaning he didn't think the business needed to do anything different to resolve the complaint.

Mrs J has also complained separately about the seller of the policy as she said it was unsuitable - she received a final decision about the sale of the policy which was made by a different Ombudsman. Following both of these complaints, Mrs J asked Scottish Widows to reconsider her claim.

Scottish Widows reviewed matters again but decided to maintain its decision not to pay the claim. It said it hadn't received any new evidence or information to show that Mrs J met the policy conditions and so it couldn't change its decision to decline the claim. Unhappy, Mrs J referred her complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint but didn't think Scottish Widows had done anything wrong. Mrs J asked for an Ombudsman's review.

And so the case has been passed to me for 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 don't think this complaint should be upheld, meaning I don't agree that Scottish Widows needs to do anything different to resolve the complaint. I'll explain why.

I'd firstly like to say I am very sorry to hear of Mrs J's ill health and difficult circumstances.

The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly. And shouldn't unreasonably reject a claim.

The background to this matter is well known to both parties. So I won't repeat the facts here again. Instead I will focus on what I consider to be key to my conclusions.

I will not be revisiting Mrs J's previous complaints about Scottish Widow's initial decline of the claim or about the sale of the policy as both of those complaints have already been investigated by this Service.

As confirmed by the investigator, my decision is limited to Scottish Widow's decision to maintain its decline of Mrs J's claim after July 2024.

Scottish Widows maintained its decision to decline the claim on the basis that Mrs J had not provided any new medical evidence or information which showed that she met the terms of the policy to be eligible for benefit. It explained how it had assessed the claim and why Mrs J didn't meet the definition of incapacity in line with the policy terms. This was all set out in the previous complaint by the investigator.

In summary, Mrs J thinks Scottish Widows' decision is unfair as she wasn't aware of the policy requirements and doesn't think the policy is clear about when a benefit would be paid, especially for those with mental health conditions.

I have carefully considered everything Mrs J has said but I am strictly only looking at Scottish Widows' decision to maintain its decline of the claim in line with the policy terms and conditions. The terms and conditions make up the contract of insurance between Mrs J and Scottish Widows. As Mrs J hasn't met the clear policy requirements and definition for incapacity, she isn't eligible for the benefit.

In the absence of any new medical evidence or information, I don't think Scottish Widows' decision to maintain its decline of the claim, is wrong or unfair. Mrs J would have to meet the definition of incapacity to be eligible for benefit. I haven't seen any evidence that Mrs J has proven that she meets the policy requirements after the initial decline of the claim. And so I don't think Scottish Widows needs to do anything more.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 7 November 2025.

Shamaila Hussain
Ombudsman