

The complaint

Mr P is unhappy that Scottish Widows Limited have declined a claim on his Life and Critical Illness Policy.

What happened

Mr P claimed on his Life and Critical Illness policy following health issues which include a retinal vein occlusion, inflammatory arthritis and cardiac issues. Mr P claimed for Total Permanent Disability (TPD).

Scottish Widows declined the claim on the basis that they didn't think the evidence demonstrated the policy definition had been met. Mr P made a complaint which was partly upheld as Scottish Widows identified there had been issues with the service he received. They paid a total of £950 compensation for these issues but maintained the claim had been correctly declined. Unhappy, Mr P complained to the Financial Ombudsman Service.

Our investigator looked into what happened. He didn't think Scottish Widows had unreasonably declined the claim. And he thought the compensation offered fairly reflected the impact on Mr P.

Mr P didn't agree and asked an ombudsman to review the complaint. In summary, he said the medical evidence supported that he couldn't work and that his health had continued to deteriorate. So, the complaint was referred to me to make a 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'm very sorry to read of the circumstances which have led to Mr P claiming on the policy. It's clear that he's had a very challenging time and that the changes to his health have had a significant impact on both him and his family. Mr P's wife gave a detailed description of the impact it's had on him, and I have a lot of empathy with what both she and Mr P have said about that.

The relevant rules and industry guidelines say that Scottish Widows has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The starting point is the policy terms and conditions which say:

"Definition 3 — Work Tasks

Under this definition Total Permanent Disability means the loss of the physical ability through an illness or injury to do at least 3 of the 6 work tasks listed below ever again.

The relevant specialists must reasonably expect that the disability will last throughout life with no prospect of improvement, irrespective of when the cover ends or you

expect to retire.

You must need the help or supervision of another person and be unable to perform the task on your own, even with the use of special equipment routinely available to help and having taken any appropriate prescribed medication.

The work tasks are:

- (i) Walking - the ability to walk more than 200 metres on a level surface.
- (ii) Climbing - the ability to climb up a flight of 12 stairs and down again using the handrail if needed.
- (iii) Lifting - the ability to pick up an object weighing 2kg at table height and hold for 60 seconds before replacing the object on the table.
- (iv) Bending — the ability to bend or kneel to touch the floor and straighten up again.
- (v) Getting in and out of a car—the ability to get into a standard saloon car, and out again.
- (vi) Writing —the manual dexterity to write legibly using a pen or pencil, or type using a desktop personal computer keyboard.

For the above definition disabilities for which the relevant specialists cannot give a clear prognosis are not covered.”

I’m not upholding Mr P’s complaint as I think the decision to decline the claim was fair and the offer of compensation fairly reflects the impact on Mr P. I say that because:

- I’m satisfied that Scottish Widows fairly concluded the policy definition wasn’t met, based on the available medical evidence.
- At the time the claim was declined, and the final response letters were issued, treatment was ongoing. I think Scottish Widows reasonably concluded that, at the time the claim was declined, there was a prospect that Mr P’s functionality in relation to the work tasks would improve in the longer term. So, I think they reasonably concluded, based on the available medical evidence and opinion, that there wasn’t sufficient evidence that the disability was permanent.
- I appreciate that some of the medical professionals considered Mr P unable to work and I’m also aware that he’s considered to have a disability. However, in the circumstances of this case, that’s not what the policy definition requires. There’s a specific definition of TPD that needs to be met and unfortunately the medical evidence doesn’t demonstrate that it is.
- I have a lot of empathy with Mr P’s circumstances, and I want to make it clear that I don’t dispute what he’s said about his health and symptoms, but my role is to decide whether Scottish Widows fairly declined the claim, based on the policy definition. For the reasons I’ve outlined above I’m persuaded they’ve reasonably justified their decision to decline the claim at this time. And I don’t think there’s any basis upon which I can fairly and reasonably direct them to step outside of the policy terms.
- I appreciate that Mr P feels that there hasn’t been improvement since the claim was declined. I can only consider what happened in relation to this complaint. If Mr P

has further evidence then that will need to be considered by Scottish Widows. They'll need to decide if they consider the policy definition of TPD is now met based on the further evidence.

- Scottish Widows paid £950 compensation for customer service issues Mr P experienced, including delays and poor management of expectations about the claims process. I agree that there were times when the claim was poorly managed and that Mr P didn't receive the service he was entitled to. However, I think the compensation paid fairly recognises that this caused him substantial distress and inconvenience over a period of many months. So, I think it fairly reflects the impact caused and I don't think Scottish Widows needs to do anything further to put things right.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 25 December 2025.

Anna Wilshaw
Ombudsman