

The complaint

Mr H complains Scottish Widows Limited has unfairly delayed making a decision on his claim.

What happened

Mr H has held an income protection policy for many years. The policy is designed to pay benefits in the event that Mr H is unable to work due to accident or illness, after a 12 month deferred period. And the cover is underwritten by Scottish Widows.

The policy definition of disability is as follows:

“...Disability means that in the opinion of the Company the Life Assured is, by reason of illness or accident, able to follow no part of his or her usual occupation or occupations in which he or she was engaged immediately before the onset of the illness or accident (the “Usual Occupation(s)”) and is not following any other Gainful Occupation.”

Mr H said he has suffered with ongoing conditions whilst working over the years, including forms of arthritis and psoriasis. He has explained that in early 2025, he reached a point where the symptoms were too severe and he was no longer able to work. And he raised a claim against his income protection policy.

Scottish Widows said it was too soon for it to assess the claim in April 2025, as the policy had a 12 month deferred period which will not end until March 2026. However Mr H disagrees there was a need for the delay, and made a complaint. He said he wants a decision on eligibility sooner, and couldn't find anything in the policy terms which would prevent this.

Scottish Widows responded to the complaint. It accepted it had offered poor customer service when Mr H first got in touch and awarded compensation. But on the matter of assessing the claim, it said it had done nothing wrong and would review the available claim evidence closer to the end of the deferred period.

Unhappy with the response, Mr H brought his complaint to this service.

An investigator here looked into what had happened and said they didn't think Scottish Widows had acted unfairly.

Scottish Widows made no comment on the investigator's view. However Mr H disagreed and asked for a decision from an ombudsman.

So, the case has 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.

And I've considered the relevant industry rules which say an insurer must handle claims promptly and fairly and shouldn't unreasonably reject a claim.

Firstly, I'm aware that since the final response was issued in April 2025, matters may well have moved on with Mr H's claim. However I cannot consider any events which have taken place after the date of the final response letter in my review of this complaint.

And, I note Mr H's original complaint included issues of poor customer service. In its final response, Scottish Widows accepted it had failed to respond to requests from Mr H in March 2025, and it paid £250 in compensation to recognise this. As this issue appears to no longer be in dispute, I won't comment on it further in this decision.

I've gone on to consider the other elements of Mr H's case and having done so, I'm not upholding this complaint for the following reasons.

- When making an insurance claim, it is for Mr H as the policyholder to evidence to the insurer that his claim is valid. And in turn, the insurer is entitled to assess that evidence, and to ask for reasonable further information or documentation to verify the validity of the claim against the policy terms and conditions.
- In this particular case, the policy has a 12 month deferred period. So, for a claim to be paid, Mr H must demonstrate that he meets the policy term of disability for the duration of the 12 month deferred period. So because of this, I don't think it's fair or reasonable to expect the insurer to begin assessing the claim or to give any decision on it, based on the medical evidence available within the first couple of months of the deferred period starting.
- I understand Mr H's point of view, in that he has said his condition is incurable, so will not improve. And I appreciate he wanted to know if his claim would be payable, so that he could consider whether or not to keep the policy and continue paying his premiums. However I'm still not persuaded that it would be fair for me to direct the insurer to assess or decide on the claim early, when further medical evidence could become available later in the deferred period, which could make a difference to the claim outcome. And I do think that was a possibility here, as I note Mr H referred to having the option to try a stronger medication which could potentially enable him to work.
- Ultimately the policy has a 12 month deferred period which will end in March 2026, and so I don't find it unreasonable that Scottish Widows said it would begin assessing the evidence available closer to when the end of the deferred period is approaching. And although this is not stated in the policy terms, I'm satisfied that this is standard industry practice in these circumstances, so I don't think Mr H has been treated unfairly.

My final decision

For the reasons I've given, it's my final decision that I do not uphold this complaint and I make no award against Scottish Widows Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 16 January 2026.

Gemma Warner
Ombudsman