

## **The complaint**

Mr O is unhappy that Unum Ltd haven't settled a claim he made on his employer's income protection policy.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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.

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

The policy terms say that in order to make a successful claim the relevant definition of incapacity must be met. In this case the relevant definition is:

“A member is incapacitated if we are satisfied that they are:

- Unable, by reason of their illness or injury, to perform the material and substantial duties of the insured occupation, and are
- Not performing any occupation”.

I'm upholding Mr O's complaint because:

- I think the medical evidence supports that Mr O met the above definition during the relevant deferred period.
- Mr O was accessing treatment throughout the relevant time, including therapies and medication. He's provided persuasive evidence from his treating consultant which, in my view, demonstrates he was unwell throughout the deferred period. I don't think there is compelling evidence which indicates there was a substantial or sustained improvement in Mr O's symptoms to the extent Unum has suggested.
- I don't think Unum has fairly interpreted the available medical evidence. I'm persuaded it shows, on balance, that Mr O was unable to work in his insured occupation.
- Mr O had a senior and demanding job. Based on the medical evidence that's available I think it's reasonable to conclude that he wouldn't be able to carry out the material and substantial duties of his role.
- I've considered that some of the evidence provided post dates the deferred period.

But, I bear in mind that the treating specialists were engaged with Mr O's treatment during the relevant period. The history of the claim is also complex, and I think the later evidence provided adds further context to the contemporaneous evidence. So, in the circumstances of this case, I think the later evidence can be fairly and reasonably considered as persuasive evidence which supports Mr O's incapacity.

- I haven't found Unum's representations about the medical evidence to be persuasive. I don't think the evidence reflects that there was an improvement in Mr O's condition and his stability. I'm satisfied the medical evidence demonstrates that the policy definition of incapacity was met throughout the deferred period.

### **Putting things right**

Unum needs to put things right by accepting liability for the claim and settling the relevant payments.

They should also add 8% simple interest to the claim payments, starting from the date they ought to have been paid to the date of settlement. This is to be paid to Mr O directly. If Unum considered that it's required by HM Revenue & Customs to deduct income tax from that interest, they should tell Mr O how much it's taken off. It should also give Mr O a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

### **My final decision**

I'm upholding this complaint and direct Unum Ltd to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 27 January 2026.

Anna Wilshaw  
**Ombudsman**