

## The complaint

Mr W is unhappy with how Unum Ltd handled a request for consideration of a lump sum settlement in relation to an income protection claim.

## What happened

Mr W is the beneficiary of his employer's group income protection policy. The claim is in payment as Mr W is incapacitated because he suffers from Complex Post Traumatic Stress Disorder (CPTSD).

Mr W's employer contacted Unum, via their legal representatives, to ask them to consider a lump sum settlement. Unum declined to do this and wrote to Mr W's employer referring to 'changes' in his health.

Mr W says this wasn't fair as the 'change' referred to was Deep Vein Thrombosis. He was also unhappy the Unum wouldn't settle the claim by way of a lump sum. In their final response letter Unum said the emergence of DVT represented a change in Mr W's health and they understood it was unconnected to Mr W's mental health. They said the claims assessor added further context to this statement the following day. And, they highlighted that any lump sum settlement was entirely at their discretion. So, they didn't uphold the complaint. Unhappy, Mr W complained to the Financial Ombudsman Service.

Our investigator looked into what happened and partly upheld the complaint. She thought the decision to offer a lump sum settlement was at Unum's discretion. However, she didn't think Unum had been specific enough when making a request to Mr W's GP about the medical evidence required, which had led to them receiving information about the DVT. And she didn't think it was appropriate that Mr W's employer had been told that there had been changes to his condition. She recommended Unum pay Mr W £300 compensation for the distress and inconvenience caused.

Unum accepted the investigator's recommendation. Mr W accepted the recommendation but wanted Unum to write to his employer, copying in the legal representative, in specific terms to rectify the error and ensure that inaccurate information was removed from relevant records. Unum agreed to write to Mr W's employer and apologise that the original email lacked significant detail. They agreed to explain the change was linked to a new condition, not Mr W's mental health.

Ultimately, it wasn't possible to agree on the information to be supplied to Mr W's employer and the form it should take. Unum said the statement that there had been changes to Mr W's health wasn't inherently wrong, but acknowledged there were better ways it could have been explained. Mr W didn't think this was a satisfactory resolution as he felt that he was entitled to a formal letter of rectification of the inaccurate personal data. He highlighted there were ongoing issues with the proportionality of Unum's requests for medical information and that this formed part of a pattern of conduct. 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.

At the outset I acknowledge that I've summarised this complaint in far less detail than Mr W has, and in my own words. I won't respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here which I think are central to the outcome of this complaint.

The rules that govern our service allow me to do this as we are an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to fulfil my statutory remit.

There's no longer a dispute that Unum could have asked for more specific information from Mr W's GP or that the wording of the email to Mr W's employer wasn't appropriate. Unum therefore accepts that Mr W could have had a better customer experience. So, I think the central issue is for me to determine how Unum should put things right.

I'm partly upholding this complaint. However, I think it's fair and reasonable for Unum to put things right by paying Mr W £300 compensation and by contacting Mr W's employer, copying in the relevant legal representative/s, setting out that the information could have been better explained and that it did not relate to a change in Mr W's mental health (but a new health condition).

I say that because:

- Unum isn't obliged to offer Mr W a lump sum settlement of the claim. That's a commercial decision they are entitled to take. But it's at their discretion and so I don't think it was unreasonable for them to decline to do so.
- I think Unum could have more carefully positioned the medical information in their correspondence to Mr W's employer and avoided the concern and confusion that followed. For example, they could have given further context and/or explained that the 'changes' referred to weren't linked to the CTPSD.
- Unum did contact Mr W's employer the following day to attempt to clarify that the decision was based on Mr W's medical circumstances. They said they were unable to give specific information relating to Mr W's medical records. However, as part of their settlement consideration, they'd reviewed any current and ongoing, or new medical conditions that Mr W had. They said that based on their assessment, Mr W's recent medical circumstances precluded them from considering a settlement at that time. Therefore, I think they tried to rectify any misunderstanding promptly.
- Despite this I think Mr W was caused avoidable distress and inconvenience at a time when he continued to experience ongoing mental health issues. I think a total of £300 compensation reflects the impact of what went wrong here.
- It is a matter of fact, that's not in dispute, that Mr W had DVT. So, I don't think it's unreasonable for Unum to say that the information about a change in health having taken place is accurate. However, as I've outlined above, I think it should have been made clear that the medical circumstances Unum were referring to were not linked to the reason for the successful claim, which is Mr W's ongoing mental health issues.

So, overall, I'm satisfied that Unum's proposed course of action to correspond with Mr W's employer is fair and reasonable in all the circumstances.

- It's not my role to decide whether there has been a data breach or whether Unum has acted unfairly by refusing to rectify what Mr W considers to be inaccurate personal data. I've considered the relevant law when reaching my decision and deciding what is fair and reasonable. If Mr W has outstanding concerns about how his data has been handled, he may wish to refer those concerns to the Information Commissioner's Officer (ICO).
- Mr W has referred to ongoing issues and more recent requests for medical information made by Unum. However, my decision focuses on the subject matter related to this complaint. I can't consider new matters which Mr W hasn't yet complained to Unum about.

### **Putting things right**

Unum needs to pay Mr W a total of £300 compensation for the distress and inconvenience caused by poor service and communication.

They also need to contact Mr W's employer, copying in the relevant legal representatives. I'm not going to specify the wording Unum should use but the correspondence should make it clear that:

- The relevant email to Mr W's employer referred to 'changes' in Mr W's health and that this information could have been better explained and contextualised.
- The change in Mr W's medical circumstances referred to within the email was not linked to Mr H's mental health and related to a new, and unrelated, medical condition.

Mr W may also wish to provide his employer with a copy of my decision.

### **My final decision**

I'm partly 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 W to accept or reject my decision before 17 February 2026.

Anna Wilshaw  
**Ombudsman**