

The complaint

Mr T is unhappy that The Shepherds Friendly Society Limited declined a claim made on his income protection policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the 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 Shepherds Friendly has a responsibility to handle claims promptly and fairly. And it shouldn't reject a claim unreasonably.

The policy terms and conditions say that Mr T needs to meet the policy definition of incapacity for a benefit to be paid.

Incapacity means: "you are not fit and able to work in your Own Occupation as a result of a physical or mental illness or injury..."

Own Occupation means: "the occupation(s) you are engaged in and from which you derive an income at the start of your incapacity..."

It's for Mr T to establish that he has a valid claim under the policy, taking into account the above policy definitions.

For the reasons set out below, I don't uphold his complaint. I know Mr T will be disappointed but overall, I think it was fair and reasonable for Shepherds Friendly to decline his claim.

- I don't think it was unreasonable for Shepherds Friendly to conclude that Mr T didn't meet the policy definition of incapacity. It's not disputed that Mr T had been signed off work by his GP during the deferred period with a combination of stress, depression and back pain. But the medical evidence doesn't give a clear picture of how they specifically impacted his ability to carry out his own occupation throughout the deferred period. That's what's required by the contract of insurance as set out in the policy terms.
- Mr T was signed off work by his GP throughout the deferred period. But that doesn't automatically mean the policy definition of incapacity is met. That's because there's a specific policy term which Mr T needs to fulfil for a claim to be successful.
- Although he was prescribed medication, Mr T has told our investigator that he'd only consulted his GP so he hadn't been referred to a consultant or other specialist about his reported symptoms. Whilst that isn't determinative, I think it's relevant in this particular case as from the GP notes, I'm satisfied that Mr T's symptoms were largely

self-reported.

- Further, Mr T's GP records don't provide much insight as to why Mr T was unable to work in his own occupation due to his ill health. It doesn't look like he underwent any formal medical evaluations regarding stress and depression. And the GP notes at the start of September 2022 reflect that upon physical examination Mr T had full power in his upper and lower limbs, sensation was intact both sides, no midline vertebral tenderness, his gait was normal, and he was alert and content.
- So, I'm satisfied that Shepherds Friendly has concluded that the overall evidence doesn't support Mr T having any significant cognitive or functional impairment that would support incapacity beyond the initial deferred period.
- In its final response letter dated February 2023, maintaining its decision to decline the claim, Shepherds Friendly notified Mr T that it would consider any additional evidence (including any occupational health reports) that he could provide explaining why he was unfit and unable to carry out his own occupation. I think that's fair and reasonable.

My final decision

I don't uphold Mr T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 27 September 2023.

David Curtis-Johnson
Ombudsman