

The complaint

Miss K complains because Scottish Widows Limited didn't provide her with individual life assurance cover after a policy which she'd held previously ended.

What happened

Miss K held a life assurance policy, provided by Scottish Widows, as a benefit of her employment.

In 2022, Miss K left her job and her cover under the policy ended. In May 2023, Miss K contacted Scottish Widows and said she thought she still held the policy. When Scottish Widows said it couldn't provide her with a new individual policy, Miss K complained.

Scottish Widows said Miss K received a letter when she left her employment confirming that her cover under the policy would end, and that she'd need to have requested a quote for an individual policy within 30 days of leaving her employment.

Unhappy, Miss K brought the matter to the attention of our service. One of our investigators looked into what had happened but said she didn't think Scottish Widows had done anything wrong. Miss K didn't agree with our investigator's opinion so the complaint has been referred to me as the final stage in our process.

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.

When making my final decision about Miss K's complaint, I've taken into account relevant regulatory rules and guidance, as well as what I consider to be good industry practice. The Financial Ombudsman Service is independent and impartial and, when making a decision, I must have regard to what I think is a fair and reasonable outcome for both parties – not just for Miss K.

The terms and conditions of Miss K's policy with Scottish Widows which she held as a benefit of her employment clearly stated that cover would end on the last day of the month in which Miss K left her employment. The terms and conditions also said that Scottish Widows was guaranteed to offer individual cover if certain criteria were met – one of which was Miss K contacting Scottish Widows within 30 days of leaving her employment.

I've been provided with a template of a letter which Scottish Widows says Miss K would have been sent when leaving her employment, stating that the cover would end at the end of the month in which she left, and that she'd need to contact Scottish Widows within 30 days of leaving if she wanted an individual policy. The template letter contains the same information about the policy finishing and policy continuation as was set out in the terms and conditions. Miss K doesn't dispute receiving a letter but, as she no longer has the letter, she can't confirm its contents. Based on the evidence available to me, I'm satisfied it's more likely than not that the content of the letter which Miss K received was as set out in the template letter

I've seen. And I think the template letter was clear that Miss K's cover was ending and about what she needed to do if she wanted a new individual policy.

I've been provided with contradictory information about when Miss K left her employment. Scottish Widows says this was around August 2022. Miss K says it was in October 2022. But, even if I accept that Miss K left her employment on the later date, she didn't contact Scottish Widows about her policy until May 2023 – more than 6 months after leaving, which was significantly outside of the 30-day timeframe to arrange an individual policy.

I don't think Scottish Widows needed to contact Miss K by phone, regardless of the information she says it held about her. I'm sorry to hear about Miss K's health issues, and I understand she says she was having difficulties in her new role, but it wouldn't be fair or reasonable to require Scottish Widows to provide Miss K with a new individual policy in these circumstances.

Miss K had the benefit of the previous life assurance policy during the time it was in force and Scottish Widows was covering the risk, regardless of whether or not a successful claim was made. So Scottish Widows is entitled to retain the premiums Miss K paid. And the fact that Miss K previously paid premiums doesn't mean that Scottish Widows is obliged to offer Miss K an individual policy when she didn't contact it within the timeframe required.

As a final point, I'm satisfied that Scottish Widows issued a final response to Miss K's complaint within the 8-week timeframe set out by the regulator.

This means I won't be directing Scottish Widows to do anything further.

My final decision

My final decision is that I don't uphold Miss K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 21 February 2024.

Leah Nagle
Ombudsman