

## The complaint

Mrs W complains that Aviva Life & Pensions UK Limited (Aviva) gave her incorrect information and caused other delays when she wanted to access her pension.

Aviva has acknowledged that its mistakes caused Mrs W trouble and upset and paid her £50 compensation. It also carried out a loss assessment which confirmed that she hadn't been financially disadvantaged by the delay. But Mrs W doesn't think that the £50 compensation is sufficient under the circumstances.

## What happened

Mrs W has a pension plan with Aviva. She wanted to start taking benefits from her plan.

Mrs W called Aviva on 4 April 2023 to ask for a Retirement Options Pack (ROP). The Aviva representative explained what would be in the pack and confirmed her contact details. She also asked Mrs W if she was happy to receive the pack by email. Mrs W said she was as long as she didn't need to print anything. Aviva confirmed she wouldn't. At the end of the call, Mrs W asked Aviva if the email would be a zip file. Aviva said it wouldn't. Mrs W said: *"So I don't need anything to open that?"*. And Aviva said she wouldn't.

Aviva said that the ROP was generated on the 10 April 2023. And that it was emailed to Mrs W on 12 April 2023.

Mrs W said that when the email arrived she couldn't open it. So she had to waste time calling Aviva again and then waiting for the ROP to be posted. Aviva said it posted the ROP to Mrs W on 14 April 2023.

After receiving the ROP, Mrs W said she called Aviva again on 21 April 2023 as the next stage of the process required her to contact it to tell it how she wanted to take her pension. She said Aviva told her that it would take about ten working days to issue a quotation and forms for her to sign for the option she'd chosen.

Mrs W said that as she'd not received the forms by 11 May 2023, she called Aviva. During the first call, she'd felt that the Aviva representative didn't seem to have any idea what was happening. So she'd decided to call again to try to find out exactly when she'd get the forms. Mrs W said that the second Aviva representative couldn't find her earlier request on the system. But he'd agreed to find out what was happening and get back to her.

Mrs W said that the second Aviva representative had emailed and called her to let her know that the forms hadn't been issued due to a systems error, which had led to her request being marked as completed. She said Aviva told her that the forms may take five working days to reach her.

Aviva said it logged a complaint from Mrs W on 11 May 2023. Mrs W said that the paperwork should be either couriered to her, or at least sent first-class. She also wanted Aviva to guarantee the current value of her funds until she could take her tax-free cash. And felt that it should increase the compensation for distress and inconvenience to £250.

Aviva wrote to Mrs W on 11 May 2023 about her request to access her pension savings. It said that she wanted to take 25% of her fund as tax-free cash. Then designate the remaining funds into Income Drawdown, after which an ad hoc payment of £100 was to be taken from her Income Drawdown pot.

Mrs W said she'd still not received the forms by 17 May 2023 so she emailed Aviva to find out what was going on. As it didn't reply, she said she'd called Aviva on 19 May 2023. She said that Aviva's representative printed a copy of the forms and posted them first-class. And that she received them on 20 May 2023. She said she completed and returned them that day.

Aviva said it received the completed forms on 23 May 2023. And that it put Mrs W's plan is put into drawdown, and made the £100 ad hoc payment she'd requested, on 25 May 2023.

Aviva wrote to Mrs W on 25 May 2023 to confirm that it had set up her Income Drawdown pot and paid her tax-free cash sum. It sent a second letter the same day to tell Mrs W it had set up the £100 ad hoc income payment.

Aviva issued its final response to the complaint on 1 June 2023. It acknowledged that it'd given Mrs W incorrect information on 4 April 2023 about whether she'd be able to open the emailed ROP. It also acknowledged that Mrs W was unhappy that it'd taken so long to post her chosen quotes. It said it should've sent them sooner, by first-class post.

Aviva apologised that its service had fallen short. And paid Mrs W £50 for the distress and inconvenience the delay and the incorrect information had caused. It also carried out a loss calculation to ensure that Mrs W hadn't lost out financially. It said this assessment showed that the delay had caused her pension to increase by £274.32.

Mrs W said she received another set of forms on 2 June 2023. She felt these were the ones she'd requested to be sent by courier or first-class post on 11 May 2023. And that this therefore showed that they hadn't been sent by the requested first-class post.

Unhappy with Aviva's response to her complaint, Mrs W brought her complaint to this service on 9 June 2023. She didn't think the £50 compensation it'd paid her was sufficient given the trouble and upset caused. She felt £250 compensation would be more appropriate. Mrs W said that she'd wasted a considerable amount of time trying to get this sorted out. And that she was also very worried that she wouldn't receive the tax-free cash in time to pay an outstanding balance that was due.

Before he considered the merits of the complaint, our investigator asked Aviva if it was willing to offer Mrs W the £250 compensation she felt was fair. Aviva said it didn't think that level of compensation was proportionate given the short period of the delay. And because Mrs W hadn't lost out financially.

Our investigator didn't think that Aviva should be required to increase its compensation offer. He was satisfied that Mrs W hadn't suffered a financial loss. And that for complaints where administrative errors occurred, £50 was within the realm of what he would otherwise have recommended. Therefore, while he acknowledged that Mrs W had needed to make a number of calls and write a number of emails to get things sorted out, he felt that the compensation Aviva had paid was reasonable under the circumstances. He also noted that Mrs W's pension fund had gone up in value because of the delay.

Mrs W didn't agree with our investigator. She made the following points:

- She didn't think the gain in the value of her pension fund after the delay was relevant

to her complaint about Aviva's maladministration.

- Aviva had incorrectly told her on 4 April 2023 that she wouldn't need software to open the Retirement Options Pack. But she did need that.
- She said that neither Aviva nor our investigator had mentioned in their findings that she'd had to call Aviva twice on 11 May 2023. She felt this meant that her request hadn't simply been delayed, but there'd been a complete failure to issue the forms due to a lack of proper controls. She felt that if she hadn't chased the forms she'd still be waiting for them now.

Mrs W said that this, and the further delays, had caused her to become distressed and anxious about her funds reducing in value due to market movements. She said she needed her tax-free cash to pay an outstanding balance and was also concerned that she wouldn't receive it in time. So she emailed Aviva to ask it to protect the capital value of her fund. But she felt it had ignored her request, adding to her distress.

- Mrs W also said she disagreed with our investigator's sentiment that "*using financial services firms isn't expected to be entirely hassle free*". She felt that it wasn't unreasonable to expect Aviva to deal with her request efficiently and in a timely manner.

As agreement couldn't be reached, the complaint has come to me for a review.

### **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.

Having done so, I'm not going to uphold this complaint. I consider that Aviva has already taken reasonable steps to put things right. I know this will be disappointing to Mrs W. I'll explain the reasons for my decision.

It's not in dispute that Aviva gave Mrs W incorrect information about the email it was sending her on 4 April 2023. Or that it caused delays to Mrs W accessing her pension benefits when it didn't send her the required forms as quickly as it should have. And didn't send the forms by first-class post as Mrs W has requested.

Where a business has made an offer to settle a complaint – as Aviva has done here – what I have to decide is whether, in all the circumstances, that offer is fair and reasonable.

In this case, Aviva has carried out a loss assessment which showed that Mrs W hadn't lost out financially due to the delay. And has paid her £50 compensation for the delay and the incorrect information.

Mrs W doesn't consider that Aviva's trouble and upset payment of £50 is fair. She thinks that £250 compensation would be more appropriate, as she'd wasted a considerable amount of time trying to sort things out. And because she'd been very worried that she wouldn't receive the tax-free cash in time to pay an outstanding balance that was due.

When a business does something wrong, and makes an offer, this service will assess whether the offer is sufficient to fairly put things right. We want, as far as reasonably possible, to put Mrs W back into the position she would've been in but for the delays and the incorrect information Aviva gave her.

Aviva said that it felt the tax-free cash and the ad-hoc lump sum could've been paid out using an effective date of 5 May 2023 if it hadn't caused any delays. From what I've seen, this seems a reasonable timeline which takes into account Aviva's usual turnaround times.

Aviva calculated that Mrs W was £274.32 better off because the payments had been delayed. So she hadn't lost out financially.

Mrs W didn't think that the fact that she'd gained in the value of her pension fund after the delay was relevant to her complaint about Aviva's maladministration. I can see why she thinks this, and why she feels any gain shouldn't be used to offset the correct amount of compensation for distress and inconvenience that should be paid. I'll consider that amount later on in my decision.

Mrs W also said that she disagreed with our investigator's sentiment that "*using financial services firms isn't expected to be entirely hassle free*". She felt that it wasn't unreasonable to expect Aviva to deal with her request efficiently and in a timely manner.

I take Mrs W's point. But I also note that financial transactions like the one Mrs W wanted to be processed are relatively complex and do require some time and effort from both the consumer and the business to complete.

Mrs W also told me that neither Aviva nor our investigator had noted that she'd had to call Aviva twice on 11 May 2023. She felt this meant there had been a complete failure to issue the forms due to a lack of proper controls. And that without her intervention, she'd still be waiting for them now.

Aviva told Mrs W that the reason her request hadn't been completed was that there'd been a systems error which had led to her request being marked as completed.

Unfortunately, it's not always possible to prevent such errors from happening. When they do occur, we expect businesses to put customers back into the position they would otherwise have been in if the systems error hadn't occurred.

In this case, Mrs W received the forms she'd requested on 20 May 2023. Aviva has acknowledged that it delayed the provision of the forms. And has carried out a loss calculation which showed that Mrs W hadn't lost out because of the delay.

I've gone on to look into the distress and inconvenience Aviva's errors have caused Mrs W and the impact this has had on her.

### *Distress and Inconvenience*

Aviva gave Mrs W incorrect information during the 4 April 2023 call about whether the ROP would be a zipped file or not. Aviva also failed to send Mrs W forms by first-class post despite her specific request. These both contributed to the delay to Mrs W tax-free cash and ad hoc payment from her pension.

Mrs W said that the need for her to repeatedly call Aviva to move things forward, and the delays, caused her distress. She said she'd spent about three hours on the phone to Aviva. She also became anxious about the value of her funds going down before she could take her tax-free cash.

I can therefore see why Mrs W asked Aviva to guarantee the value of her funds when she made her complaint. But I'm satisfied that, even though Aviva didn't reply to Mrs W directly about this request, it effectively did protect the value of her fund. I say this because Aviva

agreed to carry out a loss assessment for Mrs W. And this ensured that she received at least the amount she would've been paid if nothing had gone wrong.

Mrs W also said she needed her tax-free cash because she had a payment to make. I can understand why she became anxious that she wouldn't receive the money on time. But I understand that she was able to make the payment without missing out.

Overall, while I know Mrs W will be disappointed by my decision, I'm satisfied that Aviva has taken reasonable steps to put things right here. I acknowledge that Aviva's actions and incorrect information led to delays in the payment of Mrs W's money, and caused her anxiety and frustration, but I'm satisfied she's not lost out financially. I can also note that the delay was relatively short.

Therefore I consider that the £50 compensation Aviva has already paid Mrs W in respect of the distress and inconvenience it has caused her is fair and reasonable. I don't require Aviva to take any further steps to put things right. And I don't uphold the complaint.

### **My final decision**

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 9 October 2023.

Jo Occleshaw  
**Ombudsman**