

The complaint

Ms L complains that Scottish Equitable Plc trading as Aegon failed to treat her fairly when she made a contribution to her pension savings in May 2022.

What happened

Ms L holds pension savings with Aegon. Those pension savings had formerly been part of a Group Personal Pension plan, but had previously been converted to an individual pension plan. In May 2022 Ms L sent Aegon a request to make a contribution to her pension savings. This was the first contribution Ms L had made since the pension savings had been converted to the individual pension plan.

The initial request Ms L sent was incorrect. She had added the tax relief she expected to receive to the amount of her contribution. So she sent a corrected instruction to Aegon around a week later, and paid the amount of the contribution to the firm. Aegon says that Ms L attempted to call the firm to discuss the contribution but failed to pass the required security questions so it couldn't deal with her query.

Two days later Ms L contacted Aegon by secure message to query why the payment she had made was not showing on her online account. Aegon responded to that query by email telling Ms L that it can take up to 15 working days for her payment to be processed.

Aegon started to process Ms L's payment the following day. But it noticed that, since this was the first contribution Ms L was making since the conversion of the plan, it would need her to complete a "Plan Alteration" form. It sent her a request, attaching a link to the form via email. Ms L says that email was routed to her "junk" inbox so she didn't immediately receive it.

Around ten days later, on 22 May, Ms L submitted a complaint to Aegon about the delays to her contribution being applied. She asked that Aegon either apply the contribution, with interest, and apologise for the delay, or that the payment be returned to her. Aegon says that it has no record of Ms L's email being received. It says it was experiencing some IT problems at that time that might explain the missing email.

Aegon sent another email to Ms L on 26 May repeating its request for the "Plan Alteration" form. Ms L again says that email was routed to her "junk" inbox so she didn't immediately receive it. Ms L says that she chased a response to her complaint on 8 June, which Aegon says it didn't receive. And Aegon again chased the completion of the "Plan Alteration" form the following day – once more the request went into Ms L's junk folder.

Ms L located Aegon's emails in her junk folder on 13 June. She emailed Aegon to express her disappointment that the firm had failed to follow up the lack of response to the emails either by phone or letter. And she explained that she didn't have a printer so would need a paper copy of the form sending to her. Aegon told Ms L it had registered a complaint for her, but it failed to note her request for a paper copy of the form – it just sent another link to the electronic version.

The following day Ms L sent Aegon a copy of the form she had completed electronically. She asked that, if Aegon couldn't accept the electronic form, it should return her contribution. Aegon sent Ms L a paper copy of the form but she says that wasn't received. Aegon sent a further copy to Ms L on 28 June and apologised for not sending the paper copy before. It asked whether Ms L still wanted to cancel her instruction and told her she could ignore the form if that was her choice. Ms L told Aegon she'd clearly stated that if the electronic version was unacceptable her contribution should be returned.

Aegon issued its final response to Ms L's complaint on 4 July, and returned her contribution two days later. Aegon told Ms L that it thought it had dealt with her requests in line with its published SLAs. It said it could be held responsible for its emails being held in Ms L's junk folder. Aegon told Ms L that it didn't think it had done anything wrong so it wouldn't be adding any interest to her returned contribution. Unhappy with that response Ms L brought her complaint to us.

Ms L's complaint has been assessed by one of our investigators. He didn't think any avoidable delays had been caused to the application or return of Ms L's contribution. He thought that generally Aegon had acted within its stated SLAs and that the communication methods it had chosen had been reasonable. He thought it was fair for Aegon to require a wet signature on the form that it had asked Ms L to complete. So he didn't think the complaint should be upheld.

Ms L didn't agree with that assessment. So, as the complaint hasn't been resolved informally, it has been passed to me, an ombudsman, to decide. This is the last stage of 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.

In deciding this complaint I've taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by Ms L and by Aegon. Where the evidence is unclear, or there are conflicts, I have made my decision based on the balance of probabilities. In other words I have looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

At the outset I think it is useful to reflect on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

It seems clear that the application of the contribution that Ms L wanted to pay didn't run as smoothly as either she, or Aegon, would have wanted. But what I need to decide in this decision is whether those problems were because of something Aegon did wrong, and most importantly whether any avoidable delays have caused Ms L to lose out.

Ms L says that she initially contacted Aegon through its secure messaging service. She says that she only swapped to email when those messages didn't seem to be getting any response. And Aegon says that it responded to Ms L using the contact channel that she had selected – the responses it sent were to her emails and hence that was the method it used. I don't think that is an unreasonable approach to take.

A number of emails that Aegon sent to Ms L were miscategorised by her email application as being junk mail. So those emails were not immediately visible to Ms L until she periodically checked her junk folder. I can understand why those delayed responses would have been disappointing to Ms L, but I cannot conclude the mis-categorisation of the emails was the responsibility of Aegon. There was nothing in the emails it sent that indicated they were junk messages, and Aegon has no control over how incoming emails are treated by Ms L's email software.

I have thought carefully about whether Aegon should have tried to contact Ms L through other means when it got no response to its email messages. On balance I think Aegon is treading a difficult line here between ensuring its contact is in the form a consumer expects, and ensuring its communications are received. There might be any number of reasons why a consumer wouldn't want to receive letters, or telephone calls, in relation to their pension plans. So I cannot conclude that Aegon acted unreasonably in not trying alternative means of contact with Ms L.

It does seem that Aegon initially missed Ms L's request for a paper copy of the plan alteration form. But it seems to me that, by the time Ms L had let Aegon know a paper copy was needed, she had already reached the point where she had decided not to proceed with making the contribution. In the email she sent to Aegon on 14 June – the day after she had discovered the mis-filed emails in her junk folder – she told Aegon that she requested the return of her contribution if the form she had submitted electronically was insufficient.

The delays that had taken place until that point were caused by Aegon's emails routing to Ms L's junk folder. As I've said earlier, Aegon isn't responsible for how Ms L's email application classified its messages. So I don't think that Aegon caused the delays that led to Ms L deciding to request the return of the contribution that she had made. It therefore follows that I don't think Aegon should be required to pay any interest to Ms L for the period of time that it held her contribution.

Aegon returned the contribution to Ms L two days after it had issued its final response on her complaint – and around 15 working days after she made her request for its return. I don't think those time periods were unreasonable and so I don't think that Aegon did anything wrong in that respect either.

I appreciate that my decision will be very disappointing for Ms L. It is clear that she paid a contribution to Aegon in good time, and had a reasonable expectation that it would be added to her pension savings. But I think Aegon dealt with that request efficiently, and can't be held responsible for its requests being mis-filed by Ms L's email software. I don't think the request Aegon made, for a wet signature to be added to the Plan Alteration form was unreasonable. So I don't think this complaint should be upheld.

My final decision

For the reasons given above, I don't uphold the complaint or make any award against Scottish Equitable Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 2 January 2024.

Paul Reilly
Ombudsman