

The complaint

Mr B complains that Aviva Life & Pensions UK Limited (Aviva) failed to process a change of bank account details for his pension. And they continued to pay Mr B's pension payments to a closed bank account.

What happened

In June 2023 Mr B completed an 'Amendment Form' as he wanted to change the bank account into which his regular pension payments were made from Aviva.

Aviva wrote to Mr B the following month to let him know that they couldn't verify the bank details he'd sent them for his new account. Aviva asked Mr B to send them a bank statement, welcome letter or passbook relating to his account.

The letter said bank statements must be dated within the last three months and show Mr B's name, sort code, account numbers and include a minimum of five days' worth of transactions.

Mr B sent Aviva a copy of his bank statement. He'd redacted certain sections of the statement, which included the account balances and transaction amounts.

Aviva wrote to Mr B on 31 July 2023 to say they were unable to accept documents that were redacted in any way. The letter noted that Aviva would continue to pay Mr B's payments into the account details they already held on file.

Mr B later phoned Aviva to discuss why they weren't able to accept the documentation he provided. During the call Aviva explained the reason for the rejection was because Mr B had redacted parts of the bank statement he'd sent them. Mr B wasn't willing to send Aviva any further documentation.

Aviva treated Mr B's phone call as a complaint. In responding to the complaint, Aviva said they had a duty of care to their customers. They also had to comply with anti-money laundering and fraud regulations. Aviva said amendments or redactions to a statement could not be accepted due to the regulations that are in place to protect customers money.

Aviva also set out the details they needed from Mr B to satisfy their requirements.

Mr B brought his complaint to our service. Our investigator didn't think Aviva had done anything wrong. He said it was reasonable for Aviva to ask for an unredacted statement, and thought they'd been clear in their requirements for Mr B to do so. He also said that regardless of Mr B's request to change his bank details, he'd seen no evidence that Mr B had asked Aviva to stop making payments to his old account. So, he didn't think they were wrong to continue doing so.

Mr B disagreed with our investigator's opinion. He also sent Aviva a letter from his bank account provider confirming that Mr B had several accounts with them. However, Aviva were still unwilling to accept this letter as it wasn't a bank statement that met the requirements set

out in their previous letters.

Mr B remained unhappy with our investigators opinion and felt he'd complied with Aviva's requirements with his latest letter, but his change of details still hadn't been accepted. So, the complaint has been passed to me for 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.

Having done so, I'm not upholding the complaint. I'll explain why.

The role of our service is to resolve complaints impartially, we don't regulate businesses, which is the role of the Financial Conduct Authority. That means I can't tell Aviva or other financial businesses to change administrative procedures.

But I can take into account any relevant law and wider industry practice when deciding whether Aviva treated Mr B fairly and reasonably in the circumstances of this complaint.

Having considered what happened here and the points made by Mr B, I don't think Aviva treated him unfairly or unreasonably. I say that because I wouldn't expect Aviva to release any funds before they were satisfied that it was being sent to the correct person and they held legitimate bank details for that person.

Businesses like Aviva are highly regulated and are also expected to comply with legislation. They can also face significant penalties if they're found to have inadequate policies and processes in place to protect their customers money. Many of the rules they must follow don't prescribe exactly how a business should operate. So, Aviva are able to make legitimate business decisions in order to make sure they're compliant with the various laws and regulations.

That means that those processes may differ from other businesses. So, while I can appreciate Mr B's frustrations that Aviva have different requirements to other regulated businesses he's a customer of, that doesn't mean Aviva has acted unreasonably.

I think Aviva was reasonably seeking to protect both Mr B and themselves from possible fraud by wanting to adequately confirm the bank account details to which he wanted payment to be made. I understand Mr B concerns about privacy, but the bank statement he provided was redacted and didn't provide the information Aviva reasonably considered to be required for anti-fraud and anti-money laundering checks.

I understand Mr B has concerns about the security of his personal data. However, Aviva is required to treat Mr B's personal data as confidential and process it securely under the Data Protection Act. And I've seen no evidence that Mr B's data would have been at risk if he were to send an unredacted statement to Aviva.

In their communications with Mr B, Aviva were clear on what their requirements were. The final response letter included clear requirements, noting that Mr B needed to provide a bank statement without any details obscured showing at least five days of transactions.

The letter Mr B sent Aviva following our investigator's opinion wasn't a bank statement and didn't contain the required information. So, I don't think Aviva acted unfairly by saying it still hadn't satisfied their requirements.

I've also seen no evidence that Mr B asked Aviva to stop paying his regular payments into his previous bank account. And Aviva specifically noted in their letter of 7 July 2023, that their intention was to carry on making the payments to the account for which they already held details on file. So, I think Aviva acted fairly in continuing to make payments to that account having said they would.

My final decision

Taking account of everything I've said above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 7 December 2023.

Timothy Wilkes
Ombudsman