

The complaint

Mr S complains that Aviva Life & Pensions UK limited failed to provide him with accurate information about the value of his pension policy.

What happened

The details of this complaint are well known to both parties and as such I have only summarised them below.

- In 2017 Mr S complained to Aviva as his pension statements weren't accurate. They had 'missing' units that hadn't been allocated to Mr S's account following one-off contributions he'd made over several years. The complaint was upheld. At that time Aviva confirmed the correct values of Mr S's funds and said the issue had been resolved.
- In 2020 Mr S received a pension valuation from Aviva. He didn't think the value was accurate. Mr S asked Aviva for a list of contributions which they provided. However, when Mr S reviewed them, they showed the one-off contributions 'missing' again from his funds.
- In August 2020 Mr S complained to Aviva and they upheld his complaint. Aviva said they could see Mr S had issues with incorrect valuations previously. And they didn't think the correct remedial action had been taken to stop the errors happening again. Aviva sent Mr S a cheque for £250 compensation and said he would receive confirmation of the correct values relating to his policy.
- Aviva then sent Mr S a unit statement. But one of his funds was showing as having almost half the units it had shown the previous year. Mr S says he asked Aviva for an explanation of this discrepancy, but they failed to give him one.
- Mr S says he was unhappy with Aviva's management of his policy, so he decided to transfer to a new provider. But he says he was still very concerned that the transfer value he received from Aviva may not have been accurate.

Mr S brought his complaint to our service. Our investigator said Aviva should have provided accurate information to Mr S about his policy. They asked Aviva to send Mr S a detailed unit statement and explain why the 2020 units differed from 2019. They also said Aviva should provide a full contribution history and that if it was determined that the transfer value Mr S received was incorrect, Aviva needed to rectify any losses. They also said Aviva should pay Mr S an additional £650 compensation in respect of the stress and frustration he had suffered.

In response Aviva provided the required information to our investigator who passed it on to Mr S. They also said the transfer value had been double checked by their actuaries and was correct. However, they felt an additional compensation payment of £650 was excessive and offered £250 instead.

Mr S says the information regarding the transfer value looks about right and trusted the missing contributions had been accounted for. But he didn't accept Aviva's compensation offer as he said the onus was always on him to cross check Aviva's calculations and point out their errors. And that led to a considerable amount of stress and wasted time.

As Aviva didn't accept our investigator's opinion, the case 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.

I'm satisfied Aviva have now sent Mr S a detailed explanation of his contribution history and the breakdown of units he held in his policy. I'm not an actuary so I can't give an expert opinion as to its accuracy. But Mr S seems content that the calculations are correct, and that the missing contributions had been accounted for. So, my decision will focus on whether Aviva should pay Mr S an additional £650 compensation - which appears to be the only outstanding matter that needs a resolution.

I've taken several factors into account when assessing the impact of Aviva's errors.

This wasn't the first time Aviva had made a similar error. Mr S had already been through a complaint in 2017 around a very similar issue. And having already had to correct that similar error, I think Aviva ought to have been extra vigilant to make sure that any information they gave Mr S thereafter was correct. But Aviva acknowledged in their letter to Mr S that they hadn't taken the remedial action they should have done to make sure these errors didn't happen again. So, I can appreciate why, in 2020, Mr S was immediately caused additional stress and upset when it appeared Aviva had repeated its earlier error and the issue still wasn't resolved.

I can see it was Mr S who had to explain to Aviva that an error had been made and provide supporting evidence to allow them to look into things. Consumers should be able to have confidence that the information a firm sends them is accurate. And it shouldn't be necessary for a consumer to have to take the time to double check businesses valuations and point out their errors. After all, it's the business that's usually the expert in these matters, not the consumer.

Mr S's frustrations were compounded when, in response to his more recent complaint, Aviva said they'd send him confirmation of the correct values. But the following day Aviva again sent Mr S a statement showing an incorrect number of units in his policy and therefore an incorrect valuation for the policy overall.

I can see the impact of Aviva's repeated errors over several years meant that Mr S lost faith in their ability to effectively administer his policy. Which caused him to want to transfer to a new provider. And I appreciate Mr S's concerns that the eventual transfer value he received may not have been accurate, due to the repeated incorrect valuations Aviva gave him. Those concerns were only eased once Aviva sent a detailed breakdown of Mr S's transfer value to our service in early 2022.

In summary, throughout his dealings with Aviva, Mr S had to employ a level of scrutiny a consumer wouldn't normally expect to have to do in order to be satisfied he was receiving accurate information about his funds. And I think that would take considerable effort.

The knock-on effect is that Mr S has been caused a significant level of inconvenience trying

to resolve this issue which has been ongoing for several years. I can see how having to contact Aviva multiple times would be disruptive to his everyday life. And I think the fact that Mr S has now transferred away from Aviva demonstrates the significant level of dissatisfaction and upset caused by Aviva's repeated errors. That in itself probably caused added disruption in Mr S having to source a new provider. So, in the full circumstances of this complaint, I think a fair and reasonable outcome is for Aviva to make an additional compensation payment of £650 on top of the £250 originally offered (so £900 in total) for the inconvenience and upset Mr S has suffered.

Putting things right

Aviva must pay Mr S a total of £900 for the inconvenience and upset he's suffered.

Aviva's final response letter said they'd send Mr S a cheque for £250. If Mr S has received and cashed that cheque, £250 can be deducted from the figure above and Aviva need only pay £650 more to Mr S.

My final decision

My final decision is, I uphold this complaint. Aviva Life & Pensions UK Limited must now pay Mr S a total of £900 (including any amounts already paid) as referred to above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 14 October 2022.

Timothy Wilkes
Ombudsman