

## The complaint

Mr P is unhappy with the delays he experienced when attempting to receive the maturity proceeds for a savings plan, he held with Aviva Life & Pensions UK Limited (Aviva).

## What happened

The details of this complaint are well known to both parties, and were set out in my provisional decision, so I am not going to describe them again here.

### *My provisional decision*

Mr P has shown he had a completed and witnessed Deed of Assignment from 2001. However, I haven't been provided with enough evidence to show that this was given to Aviva at that time for them to action.

Mr P correctly contacted Aviva in January 2020 to find out what he would need to do to receive the proceeds of the plan upon its impending maturity. This was made more difficult for him by the fact that he was working out of the country. I can see that Aviva responded to him and made him aware what he would have to provide. I am satisfied that this was all correct and necessary.

However, Mr P did provide a copy of the Deed of Assignment at this time and Aviva admit that it was received but not actioned. Nor did they ask for the further verification that was needed. This caused an avoidable delay to Mr P receiving the maturity proceeds and Aviva weren't able to pay this out in March 2020. I am satisfied that if Aviva had done as they should have, upon receipt of the deed in January 2020, Mr P should have been able to receive the money when the plan matured.

Aviva seem to have acknowledged this error. The proceeds weren't sent until July 2020, but they have added backdated interest from the date of maturity. However, I don't agree with this figure. Aviva have said that it was calculated using a return on the amount of the Bank of England base rate +1%. Aviva had deprived Mr P from the use of these funds. But as Mr P hasn't said he was to reinvest them, Aviva should be compensating him at the rate for deprivation of use of funds, which is 8%.

Aviva have also offered Mr P £75 for the error in not processing the documents sooner. However, I think the impact to Mr P warrants a higher award. There were also errors with misinformation and not always responding to Mr P in a timely manner.

Mr P is unhappy that further verification was sought after he provided the deed. However, I am satisfied with Aviva's explanation of why this was necessary. Mr P also thinks he should be compensated for Aviva contacting his daughter, despite his request not to. However, I haven't seen any evidence of this request and the contact was part of their necessary trace. Mr P says he also instructed support from a legal firm to obtain the proceeds from Aviva and wants compensating for this. However, this isn't something we would usually award for and I don't think it's warranted in this case, as Mr P took the decision to obtain this help.



Mr P appears to have provided everything that was asked of him, prior to maturity. Due to errors and delays by Aviva this wasn't actioned and a trace for the former joint policy holder doesn't appear to have been carried out until June 2020. I think a more appropriate award of compensation would be £150.

In summary, whilst Aviva have acknowledged errors and delays, I don't think they have calculated the financial loss at the right rate and it should be 8%. I also think that as Mr P provided what was required in January 2020, but the proceeds were not paid until July 2020, due in the main to Aviva's errors, this warrants a payment for the distress and inconvenience caused of £150.

Aviva didn't respond to the provisional decision.

Mr P responded to say that he was still not in agreement with the redress I had proposed. His points of response included:

- He'd flown to the UK from abroad to provide the documentation. Whilst Aviva had suggested posting this, he wanted to ensure no issues at maturity.
- He maintains that the deed of assignment was not accepted without any legal basis.
- He felt the impact through unnecessarily contacting his daughter had not been properly recognised.
- He had endured legal costs which he felt was necessary to obtain the funds.
- Property prices were increasing at the time and that was what the funds were intended for.

### **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, whilst I acknowledge the points raised by Mr P, I had considered them in the whole and I am satisfied the redress I have proposed is fair. Mr P chose to fly to ensure delivery of the documentation and I can't hold Aviva responsible for that. Nor can I hold them responsible for Mr P choosing to pay legal costs.

We award compensation at 8% for loss of use of funds. I feel this is fair and in this case fairly compensates him for the time he was deprived of the funds. It takes into account costs such as rising prices. In regard to his point on the impact on his daughter. As I said in my provisional decision, I haven't seen any evidence of them being told not to contact her and they did so as part of a necessary trace. I think this was reasonable.

### **My final decision**

My final decision is that I uphold the complaint. To put things right, Aviva Life & Pensions UK Limited should:

- Pay Mr P interest at a rate of 8% from the date of maturity in March 2020, until the date the proceeds were released in July 2020. Less the amount of interest already paid.
- Pay Mr P £150 for the distress and inconvenience these errors caused, less the £75 offered if it has already been paid.



Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 20 July 2022.

Yoni Smith  
**Ombudsman**