

## The complaint

Mr S complains that Scottish Widows Limited has stopped providing online access to his pension and this service has not yet been restored.

## What happened

Mr S has a pension with Scottish Widows.

On 13 August 2022, Scottish Widows removed access for pension customers to its online client services platform, meaning Mr S could no longer access his pension through that service.

Mr S complained to Scottish Widows on 1 September 2022 about this as he was unhappy at being unable to access or make changes to his pension online.

Scottish Widows issued a final response to Mr S' complaint on 12 September 2022. It said it had taken a business decision to upgrade its systems and how customers could access their accounts. As part of that, access to its online systems had to be temporarily suspended but it hoped to have this restored in October 2022. It said though Mr S could still access his pension through other channels. It explained Mr S could obtain information about his pension and instruct changes over the phone, via email and in writing, and confirmed the relevant contact details. It also said full information about his policy was available through its mobile phone app, information summaries were available through its website and changes could be instructed through the internet banking service provided by the group which Scottish Widows was a part of. Scottish Widows acknowledged though that Mr S had likely been caused inconvenience and offered him £50 to address this.

Mr S asked our service to consider his complaint. He said there were significant waiting times when trying to contact Scottish Widows by phone and he didn't think it was reasonable that online access had been removed as he relied on this to monitor and manage his account. He said he felt Scottish Widows should be fined and reprimanded.

I understand that the resumption of online access took longer than Scottish Widows initially planned and that it was expected that the suspension would continue until at least March 2023.

One of our Investigator's considered the complaint. He explained that our service is not a regulator so couldn't penalise Scottish Widows. And making improvements to its systems was a matter of Scottish Widows' commercial judgement. Scottish Widows had provided other means by which Mr S could access his pension, which the Investigator thought was fair. He acknowledged though the extended suspension of online services was likely to have caused further inconvenience, so recommended that Scottish Widows increase its offer of compensation for this to £300.

Scottish Widows accepted the Investigator's recommendation.

Mr S did not accept our Investigator's findings and asked for the matter to be reviewed by an

Ombudsman. As a result, the complaint has been passed to me to decide.

### **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.

Mr S has provided an example of a reprimand issued by an overseas financial services regulator to a business where there was an unexpected interruption of service. And says he is surprised no action has been taken against Scottish Widows. As our Investigator explained though, the Financial Ombudsman Service is not a regulator and it is not our role to fine, punish or reprimand a financial business. Nor can we require a business to change its processes or the services it provides. Our role is to consider individual complaints, as an informal alternative to a court, and our decisions are based on what we consider to be fair and reasonable.

Scottish Widows took the commercial decision to upgrade its systems. I don't think this was unreasonable but ultimately it is a decision it was entitled to take and not something I can interfere with.

As part of that upgrade there was a planned suspension of some services – specifically the use of its online client services platform to manage pensions. Which affected Mr S. But I can't see that it was a condition of Mr S' account that access to this platform was guaranteed at all times. And Scottish Widows has provided evidence from its terms and conditions that it retained the option to restrict access to services, including its online ones, if it needed to. This also wasn't the only channel by which the account could be operated. So, Scottish Widows did not prevent the operation of Mr S' pension.

The extract from the terms and conditions which Scottish Widows has provided indicates, where it restricts access to service, it can do so without notice. Here though, Scottish Widows has said that it sent an email warning to affected customers about the loss of access to the client services platform in the weeks prior to the interruption of service. And its provided evidence of what that warning said – including setting out the other means of access still available to customers. In the circumstances I think that action was fair.

It isn't clear if Mr S received that warning. And if he didn't, I can understand why it would've come as a surprise and a disappointment to find that a service he had previously used was no longer available. When Mr S complained though, Scottish Widows again made him aware of the other methods by which he could access and amend his account. So, in my view, fairly informed him of how he could still operate it.

I understand Mr S' preference is to use the client services platform, as he has previously. And he's explained, because he lives overseas, operating his pension via phone is not convenient for him. But Scottish Widows has said that Mr S has given instructions relating to his pension over the phone previously, before the suspension of access to the client services online platform took place. And this wasn't the only method of contact or account operation still available to Mr S. So, overall, I think Scottish Widows has provided reasonable alternatives.

I don't doubt though, based on his individual circumstances, not being able to use the online platform has been inconvenient for Mr S. Which Scottish Widows acknowledged in its final response. And that this was likely to be particularly upsetting if the warning about this interruption of service was not received in advance. I also understand that he's likely to have been caused upset and further inconvenience as a result of the delays in the upgrades being completed, and access to this service being restored. And while I don't think the time these

upgrades have ultimately taken means that Scottish Widows acted unfairly in removing online access, I do think it's fair that it does something to address the further inconvenience caused to Mr S. Taking everything into account though, I think the recommendation our Investigator made that it pay £300 to address the upset caused, which Scottish Widows accepted, is a fair and reasonable way to resolve things.

### **My final decision**

For the reasons I've explained, I uphold this complaint in part.

To put things right, I require Scottish Widows Limited to pay Mr S £300 for the inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 19 May 2023.

Ben Stoker  
**Ombudsman**