

The complaint

Mr M complains that the information displayed by Scottish Equitable Plc, trading as AEGON, ('Aegon') through its online portal about his self-invested personal pension ('SIPP') is difficult to understand. And when he has asked for an explanation of this Aegon provided poor customer service and its answers remained unclear.

What happened

Mr M has a SIPP with Aegon. In December 2021 Mr M began drawing benefits from the SIPP.

In January 2022, Mr M queried the information being displayed on his online dashboard page about his SIPP with Aegon – including the balance, monies in and out and the change in value and how these were calculated. Mr M also sought clarification about the tax being taken from income payments.

Mr M attempted to discuss this over the phone with Aegon, but had a call cut off, experienced long wait times and says its staff were not able to answer his queries. So, he raised his queries via email. His initial email noted that during one of the calls an Aegon member of staff had agreed to send him a guide, but that hadn't been received.

Aegon emailed Mr M on 18 January 2022. This email seems to have been the one agreed in the call but wasn't in direct response to his email queries. This email gave a formula for how the change in value figures were calculated and included an example, although not based on Mr M's SIPP.

Mr M received no further response to his email questions, despite several chasers. So, he raised a complaint in February 2022. In summary he said the information displayed via the dashboard was difficult to understand, and his financial adviser agreed with this. No explanation of the figures or how they were calculated was available online. And he hadn't received statements detailing the drawdown amounts he'd received or information about tax deducted. He explained the issues he'd faced when trying to obtain an explanation over the phone from Aegon and that ultimately it had been unable to help. And he was unhappy that his emails had not been responded to.

Aegon responded to Mr M's complaint on 4 May 2022. It said it was satisfied the figures displayed online were correct. It did though provide some additional explanation of what each meant. Aegon also said Mr M was registered to receive online statements. It agreed that its communication following his queries had been poor and that it had failed to provide an acceptable level of service. As a result, it offered him £300 for the distress this had caused. Aegon's response said Mr M could escalate his complaint to either our service or the Pensions Ombudsman and provided contact details.

Mr M responded noting, although Aegon said he was registered for online statements, he was receiving postal ones, but they didn't answer his queries about the tax deducted. He also asked Aegon where he could access the online statements and if its email of 4 May 2022 was its final response.

After not receiving a response for several weeks Mr M contacted Aegon again. He said having looked at the explanation it had given previously and tried to follow this through he still couldn't understand the information being displayed online, as his calculations didn't correspond with Aegon's. He said he had located online statements and tax deducted but couldn't find a basis for the tax calculation, such as the tax code used. So, Mr M said his concerns hadn't been addressed and asked Aegon to provide its final response.

Mr M received no further response from Aegon. So, he asked our service to consider the complaint.

One of our Investigator's looked into the complaint. He explained that we couldn't require Aegon to change the information it displayed online. But he didn't think Aegon had done all it should've to help Mr M understand this information. He noted that Aegon had tried to answer Mr M's queries. But it was clear that the information initially provided hadn't been sufficient and had led to further confusion. During our investigation, Aegon provided further explanation of how the figures displayed online were calculated. And the investigator was satisfied that the information displayed was correct based on this explanation. But he felt this information ought to have been provided to Mr M much sooner. Aegon also explained to us that the tax code used was provided to it directly by HMRC, and that Mr M should've received the same information from HMRC. But the Investigator thought again that Aegon could've explained this to Mr M when he queried it. And he said Aegon's failure to respond promptly to Mr M's queries was disappointing. To put things right he recommended that Aegon increase its offer in respect of the distress caused to £500.

Aegon accepted the Investigator's recommendation.

Mr M did not accept our Investigator's findings. He didn't think the recommended compensation fairly addressed the distress he'd been caused. He also still didn't think the explanations were clear and questioned why some of the figures provided as part of the explanation were not present on the online dashboard display. He also disputed that the figures were correct, noting some figures were shown as negatives and one of the explanations said to add this, which would result in a subtraction. And Mr M also said that his plan had decreased in value while this had been ongoing.

The Investigator wasn't persuaded to change his opinion. He noted that Mr M thought additional information should be displayed by Aegon through its dashboard. But he said the dashboard was a summary and Aegon was entitled to decide what information to display, and our service cannot require it to change this. Overall, he was satisfied that the information displayed was correct and he didn't think Aegon had caused a financial loss. And he still considered the recommended redress was fair.

As agreement could not be reached, 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 M's complaint stems from the information Aegon displays on its online dashboard and this being difficult to understand. And he's referenced additional information he thinks ought to be included.

The online dashboard information is only intended to provide a high-level summary or overview. Aegon produces quarterly statements which include full transaction details for Mr M's SIPP. I can't see that Aegon committed to the dashboard summary replicating the in-

depth statements. Or said that specific information would be included in the summary. The choice around what to include on the dashboard summary is Aegon's and is made at its discretion. And I can't require Aegon to change the information it includes or displays or how it does so.

Likewise, while I appreciate Mr M's point that additional information, context and explanatory notes would potentially make the data easier to understand, I can't require Aegon to include this. And I haven't seen anything to suggest the information being displayed to Mr M is in a different format to other customers. So, he doesn't appear to have been treated differently due to any technical issues or errors.

So, I can't say that Aegon has acted incorrectly in terms of the information displayed through its online dashboard in general.

I do think though, when Mr M queried the information, Aegon needed to address his questions and help him understand it. Like our Investigator, I think the service Aegon has provided to Mr M in respect of this has been poor. And Aegon has acknowledged this.

Mr M explained he'd encountered significant waiting times when trying to call Aegon and had a call disconnected after having waited. In its response to the complaint, Aegon said it couldn't identify the calls Mr M had made but apologised for the problems he encountered, so it doesn't seem to dispute what he's said. And I've seen nothing that makes me inclined to disagree with what he has said about this either.

I've also seen copies of several emails Mr M sent to Aegon that were unanswered, both before and after its initial response to his complaint. When responding to the complaint Aegon acknowledged that the department that dealt with such emails was experiencing a considerable backlog. But while I understand Aegon may've experienced a resourcing issue, I still think not responding to emails is an example of poor service, particularly after its complaint response, when Mr M made it clear he still needed assistance and specifically asked Aegon to confirm if it had given a final response.

In terms of answering Mr M's questions about the information displayed on the dashboard, I do think Aegon has attempted to assist Mr M. The email it sent him on 18 January 2022 included a formula to attempt to answer his query. And in its response to the complaint in May 2022, I can see Aegon attempted to provide some further context. So, I don't think Aegon was intentionally trying to downplay Mr M's query and does appear to have been trying to help.

At the same time though, it was clear from the emails that Mr M was sending Aegon that he was still having difficulty with the dashboard information and required further assistance. And I think the information he'd been given could've been more thorough.

One of the things that Mr M was trying to understand was the money in and money out figures. In particular he made the point that he hadn't made any contributions to the plan, so the money in figure was confusing. Aegon responded by saying that the money in figure as a combination of contributions and transfers. But I think it ought to have given further context.

Before Mr M began drawing benefits from his pension, the whole fund was 'uncrystallised'. Once he started taking benefits, including taking his tax-free cash entitlement in increments, portions of his fund became 'crystallised'. Mr M is entitled to take 25% of his pension tax free. When he draws an amount as tax free cash, an amount corresponding to three times what he had drawn (effectively the 75% of a transaction that isn't tax free) has to be crystallised. And it transfers into the 'drawdown' section of his pension. This movement is an internal transfer – money goes 'out' of the uncrystallised pot and 'in' to the drawdown. But

Mr M didn't make this transfer, it happened automatically. And Aegon didn't explain that this was part of the 'transfers' it had referenced as being part of the money in and money out figures. And indeed, no further explanation was provided to Mr M directly after the initial response to his complaint. And it was only after our service became involved that this further context was given. And even that was to our Investigator, rather than Mr M.

In terms of the 'change in value' figures and percentage change, Aegon provided Mr M with the formula it uses to calculate these figures (using the other figures displayed on the dashboard screen) in its email of 18 January 2022. But it included example figures, rather than those relevant to his SIPP at the time. And I think using real figures from Mr M's online dashboard could've saved a great deal of confusion. I also think this information could've been reiterated and expanded on in Aegon's response to the complaint, as Mr M's emails in the intervening time clearly indicated this was still a source of confusion.

Mr M has made the point that the formulas say which figures need to be added and subtracted to generate the result. And one of these figures on his online dashboard is denoted as a minus, or negative figure. So, following this formula produces a different outcome than Aegon said, because adding a negative, results in a subtraction. And subtracting a negative, results in an addition.

The figure in question is the 'money out' figure. I don't think Aegon denoting this with a minus or as a negative is unusual, as it represents money that has gone out of the different parts of the pension. But I do agree that Aegon should've been clearer in its explanation that this denotation should be ignored, and it was just the numerical value that was to be used, particularly when Mr M directly raised this. But that point doesn't appear to have been responded to by Aegon, which again isn't good customer service.

I'm satisfied that the explanation Aegon has now provided about how the figures it displays on its dashboard are calculated in reference to one another is accurate. And, based on the quarterly pension statements I've seen, the figures for the value of the pension and the money in and money appear to reflect the account movements. But as I've explained, I think a much clearer explanation could've been provided sooner.

I also think Aegon should've responded more thoroughly to Mr M's query about the tax deducted from his pension income. The quarterly statements show income tax deductions in the transaction list for the drawdown section of Mr M's pension. Which I understand Aegon referred Mr M to. But Mr M made it clear he was asking about the tax code that was used.

Aegon has said that it receives this information directly from HMRC and that Mr M can request the information from the same source. I wouldn't expect the tax code to be displayed on the quarterly statements Aegon produces – as it isn't the source of this information. And for the same reasons I don't think it is unreasonable that this isn't listed in the dashboard summary. And again, the information displayed there is a matter for Aegon's discretion. But I do think, when Mr M specifically asked for information about the code being used – as he did here – that it would've been reasonable for Aegon to confirm this. And I can't see that it did so until the complaint came to our service. So again, I think the service Aegon provided could've been better.

Overall, therefore, while I can't instruct Aegon to amend the information it displays on its online dashboard and I think that information does reflect the status of Mr M's pension, I think the service it provided him in respect of his queries could've been significantly better. So, I've thought about what a fair and reasonable way to address this is.

Mr M has said that this has impacted his ability to operate his pension and says this has fallen in value. But again, the dashboard information is a summary and what is included is a

matter of Aegon's discretion. Full transaction information was included in the quarterly statements which were made available to Mr M. And I've seen evidence that several fund switches were carried out, which appear to have been at the instruction of Mr M's financial adviser, in February and March 2022, while the complaint was ongoing. So, while I appreciate that Mr M considered the information on Aegon's dashboard difficult to understand, I don't agree that these issues prevented the operation of his pension. And I haven't seen any evidence that Aegon has made any error in managing his pension while the complaint was ongoing.

Aegon acknowledged in its initial response to the complaint that the poor service provided was likely to have caused Mr M upset. Our Investigator also agreed that Mr M would've been caused distress by what happened. And recommended that Aegon pay £500 to address this – which it agreed to. Mr M says this doesn't address the impact this has had on him.

Mr M has explained that he had begun drawing his pension, which was his source of income for the rest of his life. And due to changes in financial circumstances and market conditions he had concerns about the long-term viability of his pension. He was anxious about this, so wanted to gather as much information as he could. And when that information was unclear and Aegon failed to fully answer his queries, this made his concerns even greater. And as his questions remained unanswered for so long, this only made matters worse.

I don't doubt this was distressing for Mr M. And I've taken on board what he has said. At the same time though, as he has acknowledged, Aegon wasn't responsible for the market conditions impacting his pension. And these market conditions appear to have been the cause of a lot of his anxiety. As I've explained the online dashboard was an information summary and wasn't the only source of information about his pension that Aegon provided. Fuller, more detailed information was provided through his quarterly statements. And while Mr M would've preferred additional information to be available through his online dashboard, Aegon wasn't required to change this. And the information that was displayed about the pension value and movements was accurate.

The service Aegon provided to Mr M, in my view, could and should have been a lot better, for the reasons I've already explained. And I agree that this poor service and him not getting answers to his questions – which Aegon ought to have been able to provide much sooner – would've likely exasperated the anxiety he was experiencing. But again, I'm conscious that, although its explanations were incomplete and could've been clearer, Aegon did attempt to address his queries.

My role is not to fine or punish a business. It is to make a decision on what I consider to be fair and reasonable. And, while I know this is likely to come as a disappointment to Mr M, I think, like our Investigator, that a payment of £500 to address the distress Aegon's actions have caused is fair and reasonable in the circumstances.

My final decision

For the reasons I've explained, I uphold Mr M's complaint.

To put matters right I require Scottish Equitable Plc, trading as AEGON, to pay Mr M £500 for the distress it has caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 June 2023.

Ben Stoker

Ombudsman