

## **The complaint**

Ms W and Mr W have complained about delays and poor customer service by Aviva Equity Release UK Limited in relation to an application for a change of parties on an equity release mortgage. They are asking Aviva to compensate them for financial loss, distress and inconvenience.

Mr W has dealt with the complaint throughout on behalf of himself and Ms W.

## **What happened**

I do not need to set out the history of the complaint. There are several reasons for this. First of all, the history of the matter is set out in detail in correspondence, so there is no need for me to repeat the details here. In addition, our decisions are published, so it's important I don't include any information that might lead to Ms W and Mr W being identified. So for these reasons, I will instead concentrate on giving the reasons for my decision.

Briefly, Ms W had an equity release mortgage with Aviva, taken out in 2015. In 2020 she and Mr W decided to sell their respective properties and purchase another together, keeping the equity release mortgage. In order to do this, it was necessary to add Mr W to the mortgage. This took much longer than expected, and complaints were raised with Aviva about both its process and about the delay. When these weren't resolved to Ms W and Mr W's satisfaction, they were referred to our service.

An investigator looked at what had happened. He explained that we couldn't consider Mr W's complaint that Aviva had required him to take independent legal advice, as this was out of time.

In relation to the delays, the investigator noted that Aviva had offered compensation to cover interest for 55 days at £4.38 per day, but he thought that the delays were, in fact, 60 days in total, and he has since clarified to both parties that the redress he thought Aviva should pay is for the 60 days at £4.38 per day. He was satisfied that the redress payable to Ms W for additional interest of £50.68 she'd had to pay on another mortgage was fair. Aviva had also offered £750 as compensation for distress and inconvenience, which the investigator thought was fair and reasonable.

Aviva had agreed to consider refunding additional costs if these were justified and itemised, but didn't agree with the costs Ms W and Mr W were claiming and so wouldn't agree to reimburse these.

Because the matter is unresolved, it has been referred to me to make a final 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.

The evidence in the case is detailed, running to over 1,300 pages of documents and numerous telephone call recordings. I've read everything and listened to all the recordings, and it's apparent that some parts of the evidence are less relevant to the underlying case than others. There are also a lot of duplicated documents and repetition of arguments.

I'm not required to comment on each and every point Ms W and Mr W have made. No discourtesy's intended by that. It's a reflection of the informal service we provide, and if I don't mention something, it won't be because I've ignored it. It'll be because I didn't think it was material to the outcome of the complaint. This approach is consistent with what our enabling legislation requires of me. It allows me to focus on the issues on which I consider a fair outcome will turn, and not be side-tracked by matters which, although presented as material, are, in my opinion peripheral or, in some instances, have little or no impact on the broader outcome.

On 12 June 2023 I issued a decision in which I found that Mr W's complaint that Aviva had required him to take his own independent legal advice, as a result of which he incurred legal costs, is outside the jurisdiction of the Financial Ombudsman Service. I will therefore make no further comment on this.

It's clear that the transaction took much longer than all parties anticipated, and I have no doubt this has been a stressful time for Ms W and Mr W. However, what I have to decide is whether all the delays Mr W has complained of can be attributed to any act or omission on the part of Aviva or its solicitors.

I've reviewed the timeline of events in detail, taking into account what Ms W and Mr W, Aviva and the investigator have said. Having done so, I'm satisfied that there were 60 days of delays that can be attributed to Aviva. Because the investigator provided a detailed analysis of the events which caused these delays, I am not going to repeat them here; all parties have had a copy of the investigator's findings, and as I said above, it's important I don't include any information that might lead to Ms W and Mr W being identified.

I've taken careful note of everything Mr W has said about why he holds Aviva entirely responsible for the length of time the transaction took. However, the evidence that the majority of the delays were caused by the solicitors acting for him and/or him and Ms W is more persuasive than Mr W's arguments that all the delays can be attributed to the acts or omissions of Aviva or its solicitors.

I'm satisfied that Aviva should compensate Ms W and Mr W for the 60 days delays it is responsible for – 55 of which Aviva has accepted, and another 5 which the investigator found it to be liable for. Aviva has calculated the daily rate for the loss of interest at £4.68, which I think is correct.

Aviva should also reimburse the additional interest which Ms W had to pay as a result of a delay in her being able to overpay one of her buy-to-let mortgages, which is £50.68. I'm satisfied that Ms W and Mr W were caused distress, upset and inconvenience, for which Aviva must compensate them. I think the £750 offered by Aviva is fair, reasonable and proportionate, taking into account all the circumstances of the case.

### **Putting things right**

To settle the complaint, I direct Aviva Equity Release UK Limited to do the following:

- reimburse to Ms W and Mr W 60 days' interest at £4.38 per day – a total of £262.80;
- reimburse to Ms W £50.68 interest in relation to her BTL mortgage interest;
- pay Ms W and Mr W compensation of £750 for distress and inconvenience.

**My final decision**

My final decision is that I partly uphold this complaint. In full and final settlement I direct Aviva Equity Release UK Limited to settle the complaint as directed above.

This final decision concludes the Financial Ombudsman Service's review of this complaint. This means that we are unable to consider the complaint any further, nor enter into any correspondence about the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W and Mr W to accept or reject my decision before 12 July 2023.

Jan O'Leary  
**Ombudsman**