

## **The complaint**

Mr H complains that Scottish Widows Limited (Scottish Widows) partially suspended online access to his pension, impacting on his ability to effectively manage his funds.

## **What happened**

In mid-August 2022, Scottish Widows partially suspended its online system access for policyholders, such as Mr H, whose policies were being migrated to its new software.

On 25 August 2022, after unsuccessfully trying to obtain fund information over the phone instead and being told this would be sent to him in writing, Mr H raised a complaint with Scottish Widows. He said he wasn't given notice of the online suspension and that he was incorrectly told this would be restored within a few days when he called on 22 August 2022.

On 31 August 2022, Scottish Widows sent Mr H its final response letter. It said it gave customers notice of the migration, but because this was a bulk email it can't see an actual copy on Mr H's records. It said this was a business decision and the online system would likely be unavailable until the end of October 2022. It apologised for the impact on Mr H, as well as the misinformation about when full access would be restored. It invited Mr H to call for fund information and said he could use an alternative platform to manage his policy. And it offered him £100 in compensation for inconvenience.

In mid-September 2022, after letting Scottish Widows know he was unhappy with its response and that it hadn't been helpful when he'd tried to get fund information by phone, Mr H brought his complaint to our Service. He said the partial suspension is impacting on him managing his pension and he maintained he wasn't given notice of this. Mr H said he can't see fund values or units on the alternative platform to know which are underperforming. And that he's spent a lot of time on the phone with, and waiting to speak to, Scottish Widows. Mr H said the migration ought to have been handled in a way that had less impact on customers. And that he'd like £1,000 in compensation.

Around the same time Mr H raised a separate complaint with Scottish Widows that the fund information it sent him in writing on 31 August 2022 was incorrect and irrelevant, causing him to lose money. On 16 December 2022, Scottish Widows gave Mr H its final response for this, offering him £250 in total compensation and £2 towards call costs. And Mr H confirmed to us that this issue was resolved, as Scottish Widows had accepted it failed to give him the information he needed to effectively manage his funds. And that the issues he'd like us to consider are those raised in his first complaint.

Mr H went on to let us know Scottish Widows has since given him fund information by phone that he was able to use. But that after he requested a switch it responded just confirming the funds he already had. Mr H said he attempted the switch again more recently and was told it was done, but he isn't confident of this. And that he expects he will go on to raise this issue with our Service, as well as a further issue where Scottish Widows moved money from one of his funds to another without permission.

One of our Investigators said, in summary, that Scottish Widows hadn't done anything wrong by suspending Mr H's online access, as this was a business decision and it sent out bulk notice to policyholders. She said that while Mr H found this inconvenient and was given incorrect and confusing information by phone, it had done its best to try to assist him. And that Mr H had reasonable alternatives to request information to manage his pension. So she said the £100 in compensation Scottish Widows offered him was fair and reasonable.

Mr H didn't agree. He added, in summary, that he's recently experienced further issues trying to make fund changes by phone. And that he hasn't been able to effectively manage his funds and has been given incorrect information, which has cost him money. Mr H also said he won't often use the online benefits the new software will provide and that these are just designed to allow Scottish Widows to save on customer service resources.

So the complaint's 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.

Having done so, I'm not asking Scottish Widows to do anything further, for largely the same reasons as our Investigator.

I recognise Mr H feels that the £100 in compensation Scottish Widows offered doesn't make up for the ongoing inconvenience and impact caused to him by the migration. But I think it's important to clarify that I'm addressing the issues he raised with it on 25 August 2022, that it gave its final response for on 31 August 2022, as this is what Mr H previously confirmed he wants us to look into. To be specific, that he wasn't given notice of the migration, as well as his unhappiness with the information he was given during the two calls he had with it.

This means I haven't considered the issues Mr H says he experienced following this, which he says cost him money. For example, being given incorrect information in writing on 31 August 2022 which Mr H has said impacted on what he wanted to do with his fund, as he raised this separately with Scottish Widows in September 2022 and told us that its final response letter from December 2022 resolved this. Nor have I considered the more recent issues Mr H said he's experienced with Scottish Widows given these are new, albeit linked, matters.

Turning firstly to Scottish Widows' decision to update its systems which included partial suspension of its online service platform, I recognise this wasn't convenient for Mr H and he's said this impacted on him managing his funds. But I can't say Scottish Widows acted unfairly, as this was a business decision which it's entitled to take and not something I can reasonably interfere with. And it has explained this is intended to benefit all customers, even if Mr H doesn't feel the intended features will be of much use to him.

Scottish Widows said it sent emails to impacted customers giving them notice of the reduced online access. In the event Mr H didn't receive this, then finding out he had limited access a few weeks later would have understandably come as a disappointing surprise to him. But given there's no suggestion Scottish Widows had an out of date email address for Mr H, it seems likely this was sent to him as it was a bulk mailing sent to customers with his policy type. And, in any case, Scottish Widows has provided an extract from its terms and conditions, which says it can restrict system access without notice.

Scottish Widows did make an error when it told Mr H on 22 August 2022 that his full online access would be restored within a few days, causing him frustration. But I think the impact

was limited, as Mr H was given correct information about this when he called again a few days later, on 25 August 2022. And, while it's understandably frustrating for Mr H that he wasn't able to obtain fund information in his usual way to manage his pension and he's said the alternative platform provided limited information, Mr H was made aware he could obtain information by phone or in writing instead. And he could contact Scottish Widows via online chat to request this. So, while using the online service was Mr H's preference, I think reasonable alternatives were available to him.

I recognise Mr H didn't find Scottish Widows helpful when trying to use these alternatives on 25 August 2022, as the information he was given by phone about his existing funds didn't add up. Having listened to this call though, the call handler explained that Mr H could get the information from his recent statement or they could pass him through to the servicing team for this, albeit there was a wait to speak with it. Recognising Mr H was frustrated by this, the call handler tried to help Mr H anyway. And when the call handler couldn't reconcile the information for Mr H, they explained again that it would be best to transfer him for this before organising for him to be sent information in writing instead. So I think they did what they reasonably could to try to assist Mr H during this call.

I appreciate Mr H has told us about further issues he experienced with Scottish Widows following this call when trying to obtain information to manage his pension, to demonstrate why he doesn't think the alternative methods of contact were effective for him to do so. But, for the reasons explained above, I haven't considered these to be able to comment on that.

In summary, I can't say that Scottish Widows has acted unfairly by suspending online access to Mr H's pension. And I think the £100 in compensation it has already offered Mr H is a fair and reasonable amount to make up for the frustration and inconvenience caused to him by the issues I've considered. I'm not asking it to do anything more than this.

### **My final decision**

Scottish Widows Limited has already offered to pay Mr H £100 in compensation to settle this complaint and its offer is fair in the circumstances. So my decision is that it should pay him this, if it hasn't already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 18 July 2023.

Holly Jackson  
**Ombudsman**