

The complaint

Mr O complains that Aviva Life & Pensions UK Limited (Aviva) failed to provide the online service he relied on for his pension plan for a period of five months. And that this caused him financial loss.

What happened

Mr O has a pension plan with Aviva. He said he manages his pension through his Aviva account online. As Mr O frequently needs to access his pension from overseas, he said this online access to his pension is very important to him.

At some point in late August 2022, Mr O wasn't able to access his account online. Aviva's records show that he successfully logged in on 17 August 2022. But on 31 August 2022, Mr O raised a complaint because he couldn't access his account online. He said he'd been unable to access his account for over two weeks. And that he was being shown a message which said the problem was a "technical issue". He wanted to know what the problem was and when it would be fixed. He also wanted to know why Aviva hadn't told him there was a problem.

Mr O submitted a further online complaint form on 1 September 2022. This made similar points to the 31 August 2022 complaint, but also asked how Aviva would compensate him for the inconvenience the issue was causing him.

Aviva tried to call Mr O but couldn't get through. But on 20 September 2022, it asked him to clear cookies. Then on 23 September 2022, Mr O was able to log into his online account and submit a fund switch.

Aviva spoke to Mr O about his complaint in early October 2022. It wanted to establish when Mr O would've switched if there'd been no issues. Aviva felt it couldn't demonstrate when Mr O would've done this.

Aviva issued its final response to the complaint on 21 October 2022. It acknowledged that the online service was important to Mr O, given he was frequently overseas. And apologised for the inconvenience. It offered him £150 compensation for this and for the frustration it had caused.

Aviva said it'd known there'd been an issue with online access from 17 August 2022. But that this had been resolved on 9 September 2022. It said it didn't have a clear explanation about why the error had occurred. But was confident that Mr O shouldn't have any further issues. It also said it'd asked its IT department to have a closer look at Mr O's plan to rule out any possible reoccurrences.

Aviva said that Mr O had submitted a switch instruction on 23 September 2022, which it had processed using an effective date of 27 September 2022. But said that he'd had other ways of getting in touch with it to arrange the switch if he'd wanted to do it earlier. It also noted that Mr O didn't need to be logged into his online account to view fund information, as its fund centre was available on its general website.

Aviva said Mr O hadn't initially told it that he'd been looking to switch funds. And that it had only become aware of this on 3 October 2022. It said Mr O hadn't been able to say exactly when he would've initiated the switch if there hadn't been any issues. But it noted that the online service had been restored on 9 September 2022. And that it wasn't until 23 September 2022 that Mr O switched his funds. So it wasn't clear when Mr O would've completed a switch, or to what funds, if there'd been no issues. So it couldn't bring his switch request forward.

Aviva said it couldn't reimburse the plan charges for the period of time when Mr O didn't have online access, as those charges weren't taken to cover the cost of providing an online service.

Mr O wasn't happy with Aviva's response. He said he'd continued to experience technical issues with his online access. He wanted an investigation into the technical problems, which he wanted to be fully resolved. He also felt the charges he'd paid over the period he'd had no online access should be reimbursed. And that the lack of access had had a financial impact on him.

Aviva issued a further final response letter on 14 December 2022. It apologised for the continuing inconvenience. And increased its offer of compensation from £150 to £300. It said it had understood that the online service was now working for Mr O, as he'd submitted a fund switch online on 23 September 2023. And although it had discussed the situation with its IT team, they hadn't been able to identify any problems with Mr O's account. Aviva suggested a number of actions Mr O could take to try to restore full access to his online account, but he didn't think it should be necessary for him to take such steps.

Aviva said it couldn't know whether Mr O had lost out financially as it wasn't clear that he would've definitively switched sooner, or to what funds. So it said it wasn't in a position to perform an investment loss calculation.

Mr O was still unhappy. So he brought his complaint to this service. He shared a screenshot of the error message he said he was still seeing when he tried to log into his online account. This said: *"Service unavailable, please try again later"*.

Mr O told this service that apart from the September 2023 switch, he couldn't access his account to see the value of his funds. And he couldn't carry out analysis or change his portfolio. He was unhappy that Aviva still hadn't provided a technical solution to the issues he was facing. He felt he was paying for a service he wasn't getting. He wanted access to his online account immediately. And compensation for the undelivered services and the financial losses he felt he'd suffered since mid-August 2022.

Following various requests for information from our investigator to Aviva, it made an offer to resolve the complaint.

Aviva maintained that Mr O hadn't been able to tell it, when it had spoken to him twice in October 2022, on what date, or to what funds, he would've switched. So it felt a loss calculation hadn't been possible. But it said that if it had known when, and to what funds Mr O would've switched, it would've been able to perform a calculation, with the view of backdating a switch for him. It proposed that it could assume that Mr O would've submitted the same switch that he did on 23 September 2023, on 31 August 2022, as this was the date that he submitted the online form asking it to look into the issue.

Aviva said that as its switches are always future dated, if Mr O had successfully submitted the same switch on 31 August 2022, the effective date used would've been 2 September 2022. It said it would carry out a loss calculation on this basis. And if this showed a loss, it

would correct that.

Our investigator felt that Aviva's settlement offer was fair and reasonable under the circumstances of the complaint.

Mr O didn't agree with our investigator. He felt Aviva still hadn't resolved the issue. And that it hadn't provided him with an alternative viable solution to manage his pension. He felt Aviva should provide all of its customers with much better online access to their pensions.

Our investigator explained that this service couldn't issue any punitive awards. And that our role here was to consider if Aviva's offer did enough to resolve Mr O's complaint. He explained that our role wasn't to fix the IT issue.

Mr O made the following points for me to consider:

- He felt that Aviva hadn't responded to his complaint quickly enough. And that it'd never told him what the problem was, and why it had taken so long to sort out. So he didn't know if it would happen again.
- He didn't feel that the alternative methods Aviva had suggested for contacting it or choosing funds worked for someone who was overseas a lot. And he didn't feel that calling it was feasible for him due to cost, location and time differences. He felt Aviva couldn't force him to choose an inferior, impractical method from the online access he wanted.

As agreement couldn't be reached, the complaint has come to me for a review.

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 going to uphold it. I agree with our investigator that Aviva's settlement offer is reasonable under the circumstances. I can see that Mr O feels very strongly about his complaint, so I know my decision will be disappointing. I'll explain the reasons for it.

I should perhaps first explain the Financial Ombudsman Service is not a regulatory body. So I can't tell Aviva how its online access should work. But I can consider whether Aviva's settlement offer is fair and reasonable under the circumstances of Mr O's complaint.

Where a business has made an offer to settle a complaint – as Aviva has done here – what I have to decide is whether, in all the circumstances, that offer is fair and reasonable.

In this case, Aviva has acknowledged that there was a technical issue with its online access between 17 August 2022 and 9 September 2022. And that although it couldn't identify any specific issues with Mr O's access after this period, it understood that he still had access issues for some time after this issue had been resolved.

Aviva offered £300 for the inconvenience and frustration this issue caused Mr O. And said it would carry out a loss assessment based on what Mr O's pension plan would've been worth if the switch he'd requested on 23 September 2022 had been requested on 31 August 2022 instead.

Mr O doesn't consider that this offer is fair. He's not persuaded that the problem has been resolved. And he doesn't consider the alternative methods available to him for managing his

pension are practical under his circumstances.

As our investigator noted, when a business does something wrong, and makes an offer, this service will assess whether the offer is sufficient to fairly put things right. We want, as far as reasonably possible, to put Mr O back into the position he would've been in but for the access issues.

I first considered the steps Aviva has taken to correct the issue with Mr O's online access.

Online access issues

Aviva told this service that its IT team had continued to monitor Mr O's online activity very closely. But that it hadn't found any issues. It also said that Mr O had successfully logged into his online account from the UK with no issues in January 2023. And that from what it had seen, his successful log in activity had continued. It said he had logged in successfully several times from two other countries. It also said that these successful log ins had all taken place despite nothing really changing from its end, although it acknowledged that its systems/software did routinely go through fortnightly updates/releases. And that these might unknowingly have corrected Mr O's previous access issues.

Aviva has also provided this service with evidence that Mr O has had no recorded issues with his online access since February 2023.

Therefore, although I acknowledge that Mr O is still unsure that the problem has been resolved, the evidence shows that his online access is now working.

I next considered if Aviva's offer of financial redress was fair.

Offer of loss calculation

Aviva said that Mr O didn't initially tell it about his concerns that he couldn't trade using his online access. And that if he had told it at the time he'd first raised a complaint, it could've set out his other options.

From what I've seen, Mr O's initial contact was only about his service concerns. He didn't mention any switches he hadn't been able to make. But, shortly after his online access had resumed, he did make a switch request.

Aviva suggested a number of actions Mr O could take to try to restore full access to his online account, but he didn't think it should be necessary for him to take such steps.

Mr O wasn't happy with any of the alternative solutions Aviva suggested. I understand that none of the suggestions would've been as practical for him as the online access he preferred. But, while I can see why Mr O wanted his online access fixed, I'm of the view that Aviva did provide reasonable options for him to use while his online access wasn't working properly. I say this because I've not seen any reason why Mr O couldn't have used the suggested options to manage his pension. And because the terms and conditions of his pension plan with Aviva didn't guarantee online access.

While I appreciate that Mr O was unhappy that his online access wasn't working, and felt that Aviva should fix it, I also consider that Mr O could've done more to help it to do so. He could've tried to follow the steps it suggested to help him get his access back.

Mr O did clearly want to make a switch at some point in August/September 2022. Aviva has offered to treat this switch as if he'd made the request at the earliest point he contacted it, 31

August 2022.

I have no evidence that Mr O would've made other switches, but for the issue with his online access. So I can't reasonably hold Aviva liable for any further switches. Therefore I'm satisfied that Aviva's offer is fair and reasonable under the circumstances.

Mr O also complained that Aviva should reimburse him for the monthly fees he paid it throughout the period he didn't have online access to his account. He said this was from August 2022 to January 2023. So I've gone on to consider whether Aviva should do so.

Should Aviva compensate Mr O for the service charge?

Mr O said that he was paying Aviva annual fees of 1% of his fund, but that he received no service.

Aviva said that it offers online access as an additional service, not as part of the terms and conditions of Mr O's pension plan. It acknowledged that online access was very important for Mr O, given his circumstances, but said there were still other ways for him to manage his pension.

Aviva said it offered various media forms, such as online forms, live chat, the option of sending a secure message request, as well as the usual telephone and email methods. And that Mr O wouldn't have needed to be logged into his online account to request fund information from it through any of these channels. It also said he could access all fund data through its general online fund centre, without needing to be logged into his online account. And that he could then have made a switch request either over the phone, or by email, once he'd researched his fund choices and made a decision.

Unless terms and conditions explicitly include them, online services aren't a right. Nor are they explicitly included as part of the 1% fee Mr O pays Aviva. This is used to cover fund management and operations.

From what I've seen, the terms and conditions for Mr O's plan don't specifically make reference to online access. So I can't fairly conclude that part of the 1% charge is used to ensure online access is provided.

In any event, although the online service wasn't available to Mr O for a period of time, he still had other ways he could manage his plan, as I've outlined above. Therefore, I can't fairly ask Aviva to reimburse Mr O any part of the 1% charge.

I finally considered if Aviva's offer of compensation for the distress and inconvenience the lack of access caused Mr O.

Distress and inconvenience

Aviva has offered Mr O a total of £300 for the inconvenience and frustration the lack of online access caused him.

I agree with our investigator that, while it isn't in doubt that he's been caused distress and inconvenience, an award of £300 is fair in this case.

Overall, I'm satisfied that Aviva's settlement offer is fair and reasonable in the circumstances of this complaint. And, although I uphold the complaint, I don't require Aviva to change its settlement offer.

Putting things right

Aviva Life & Pensions UK Limited must ensure that Mr O's pension is put back into the position it would've been in if the switch request had been received on 31 August 2022, rather than 23 September 2022. It should also provide Mr O with a clear explanation of how it has ensured that his pension is now back to the correct position.

Aviva must also pay Mr O a total of £300 compensation for the distress and inconvenience the lack of online access caused him. If it has already paid any of the offered compensation, it can deduct the amount previously paid from the payment.

My final decision

For the reasons I've given above, I uphold this complaint. Aviva Life & Pensions UK Limited must take the actions detailed in the "Putting things right" section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 15 August 2023.

Jo Occleshaw
Ombudsman