

## **The complaint**

Mrs S complains that she suffered a loss as a result of Aviva Life and Pensions UK Limited's (Aviva) management of her pension and poor customer service.

## **What happened**

Mrs S transferred the pension scheme she had with her employer to Aviva in 2011. Based on the material provided to Mrs S by Aviva the funds were being invested in a mix of UK gilts and bonds. Mrs S says that she thought that these funds were very low risk which, she says, would have suited her because she describes herself as a very cautious investor. She says that this was noted in the paperwork by Aviva.

In March 2022, Mrs S says she contacted Aviva because she had noticed the value of the pension fund had fallen from £200,368 in December 2021 to £181,264. Mrs S said she was becoming very concerned about her pension and contacted Aviva to see if there was anything that could be done.

Mrs S says that she was not given an answer by Aviva but was told that she could transfer her pension if she was not happy and that she should speak to a financial adviser if she was seeking advice on this. Mrs S said she then made the decision to move her pension away from Aviva as she could not afford for the value to fall any further. Mrs S spoke with an independent financial adviser to seek advice on her position.

The transfer to Mrs S's new provider was completed and the funds received by 5 May 2022 on which date the value was £164,235. Mrs S raised a complaint with Aviva about the fall in the value of the fund and the delays in making the transfer.

Aviva sent their final response to Mrs S on 30 June 2022 and said they did not uphold Mrs S's complaint. Aviva told Mrs S that the value of the fund was not guaranteed and could go up or down each day. They also said that they were not responsible for managing the plan when it comes to investment decisions. Aviva also repeated the advice that Mrs S could transfer out of the fund she was currently invested in.

Mrs S was unhappy with this and brought her complaint to us saying that Aviva had mismanaged her pension fund, that she hadn't received the help needed from them and that her fund should not have lost the value it did given that she was an investor with a very cautious attitude to risk.

Our Investigator's view was that:

- The fall in the value of Mrs S's fund was not the fault of Aviva.
- Aviva provided Mrs S with the correct information by telling her she should seek independent advice.
- Aviva did nothing to delay the transfer of the funds and have acted in a reasonable time frame.

Mrs S did not agree and said that:

- There should be mechanisms in place to protect her fund value in the time between when she tried to secure her pension value in March 2022 and May 2022 when the transfer was completed.
- Aviva have failed in their duty of care to her.
- She tried her best to avoid her pension savings from being depleted and the regulations haven't protected her against the loss.

Mrs S asked for her complaint to be reviewed by an Ombudsman.

### **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 have reached the same conclusion as our Investigator and will not be upholding Mrs S's complaint.

Having reviewed the correspondence from Mrs S, it appears that her complaint is based around two issues. Firstly, whether Aviva have failed in their duty to properly manage Mrs S's pension fund and secondly whether Aviva have caused Mrs S financial loss by unreasonably delaying the transfer.

On the first point, I don't consider that Aviva should be responsible for ensuring that the fund did not fall in value. Although I can sympathise with Mrs S who saw her pension fund fall significantly in value, this is unfortunately one of the risks of investing. The assets in which the pension was invested were subject to market conditions in the same way as other investments and it was these market conditions during the early part of 2022 which have adversely affected the value of Mrs S's pension.

One of the points made by Mrs S is that Aviva should have monitored the value of the pension and alerted Mrs S to the fact that it had begun to fall but this is not one of services that was being provided by Aviva in this case. I would not expect Aviva to contact Mrs S on matters such as this and, once Mrs S had got in touch with Aviva, I believe that telling Mrs S that she should seek independent financial advice was the appropriate thing for them to do.

On the second point regarding whether or not the transfer was unreasonably delayed, it appears as though Aviva were provided with the information they needed to make the transfer on 26 April 2022 with the transfer being completed by Aviva on 27 April 2022. Mrs S's new pension provider confirmed that the funds were received on 5 May 2022. On this basis, I cannot see that Aviva have unnecessarily delayed the transfer of Mrs S's pension. I would like to add that it sounds as though this period was particularly difficult for Mrs S as, in addition to the fall in value of her pension, her mother was also taken ill. Unfortunately, we can only hold Aviva liable for any delays in making the transfer that were unreasonable and this does not seem to be the case here.

### **My final decision**

For the reasons explained above, I do not uphold Mrs S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 22 April 2024.

Rana Chatterjee  
**Ombudsman**