

## **The complaint**

Mr L is unhappy with the customer service he received from Scottish Widows Limited.

## **What happened**

Mr L has two life insurance policies with Scottish Widows Limited. He received letters from them to say that they weren't receiving payments for the premiums and saying that his policy was lapsing. Mr L complained to Scottish Widows.

Scottish Widows weren't able to give Mr L an answer about his complaint within the usual eight-week time frame. But they did issue a final response letter offering Mr L £150 compensation for the distress and inconvenience caused after the complaint was referred to the Financial Ombudsman Service.

Our investigator looked into what happened. He thought that Scottish Widows had done enough to put things right. Mr L didn't agree and highlighted that he'd previously been awarded higher compensation by Scottish Widows for a similar problem. He also explained the impact it had on his mental health at a time that he had other health issues. So, the complaint was referred to me to make 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.

It's accepted that Mr L had paid his premiums and received the letters in error. Scottish Widows has explained this was due to issues relating to a computer system migration.

I accept what Mr L was caused worry and inconvenience. I can understand how worrying it must have been to be told that his premiums, which were a lot of money, were not being received especially when he could see that they were being paid.

I understand that Mr L had health concerns during the relevant time and so I can appreciate why he was worried about any lapse in cover. However, there was no break in cover and the premiums have been correctly allocated to the policies.

I've thought carefully about Mr L's comments, including that this was the second time he'd had an issue of this nature. Scottish Widows awarded Mr L more compensation on the last occasion. But my role is to decide if the compensation offered is fair and reasonable. And I think, on this occasion, £150 fairly reflects the distress and inconvenience caused.

In reaching my decision I've considered Mr L's representations about the examples of awards on our website. In the circumstances of this case I think an award of £150 is fair. The system issue was a mistake and it took reasonable effort on Mr L's part to get it sorted out. Although this wasn't sorted out straight away, and took some time, I don't think an award of between £300 or more would be fair and reasonable particularly bearing in mind that the policies remained in force and there was no break in cover. So, in this case, I think £150 fairly reflects the impact on Mr L.

### **Putting things right**

I think the compensation Scottish Widows Limited has now paid to Mr L is fair and reasonable in the circumstances and I don't think they need to do anything more to put things right.

### **My final decision**

I'm upholding this complaint against Scottish Widows Limited but I think the compensation they've paid is fair and reasonable in all the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 6 September 2023.

Anna Wilshaw  
**Ombudsman**