



The complaint

Miss F has complained about administrative errors made by Scottish Widows Limited in respect of her pension plan.

What happened

Miss F has a personal pension plan with Scottish Widows. Miss F complained to Scottish Widows about mistakes she said they'd made in administering her pension.

In early October 2022, Miss F brought her complaint to the Financial Ombudsman Service. Miss F said that Scottish Widows had made mistakes on transactions and fund switches in her pension plan. Miss F also complained about Scottish Widows not collecting her monthly direct debit pension contributions correctly. Finally, Miss F had changed her mind on transferring a small fund into her Scottish Widows personal pension and she'd complained that Scottish Widows had not reversed this transaction, as she'd instructed.

In late October 2022 Scottish Widows issued their final response letter to the complaint Miss F had made to them. In their response Scottish Widows explained that they were undergoing a system upgrade, and as a result online access for Miss F's pension plan had been removed for a short period of time.

Scottish Widows went on to explain that they couldn't determine why there was a difference in information shown in their correspondence to Miss F and her online account. Scottish Widows also said they'd issued a letter to Miss F in early October 2022 which had provided up-to-date and accurate information on her pension plan. Scottish Widows went on to say that they would pay Miss F £100 in respect of the inconvenience that she'd suffered due to these issues.

However, Miss F was not satisfied with Scottish Widows' response to her complaint. Miss F therefore asked that the Financial Ombudsman Service continue with investigating her complaint.

One of our Investigators completed a review of Miss F's complaint. They asked Scottish Widows for Miss F's file, but no response was received so they issued their view in April 2023. This view said that Scottish Widows should provide Miss F with a breakdown of her fund switches together with confirmation of how many units were purchased from the fund switches that Miss F had complained about. Scottish Widows should also correct the problem with Miss F's direct debit payments and identify any potential loss that Miss F had suffered.

Finally, the Investigator said that Scottish Widows should give Miss F an update on the transfer reversal that she had instructed.

In May 2023, Scottish Widows responded to the Investigator's view. Scottish Widows said that they'd been told by Miss F in March 2023 that she no longer wanted to continue with her direct debit so Scottish Widows said that they would not take any further action on this single element of Miss F's complaint.

However, in recognition of the poor service that they had provided to Miss F, Scottish Widows said that they had paid compensation of £500 to her. Scottish Widows also sent Miss F a transaction history for her pension plan and said they'd resolve her issues.

The complaint that Miss F had brought to this service in early October 2022 was closed in late May 2023.

In July 2023 Miss F brought a new complaint to the Financial Services Ombudsman. Miss F said that not all of the issues raised in her complaint of October 2022 had been resolved by Scottish Widows.

Miss F said that she had sent an email to Scottish Widows on 25 June 2023 which had set out details of the unresolved issues she still had with her personal pension, but she hadn't received a reply to her concerns. Miss F also said that the transaction history that Scottish Widows had previously sent to her contained details of approximately 6,000 transactions.

In August 2023 Miss F said that online access to her pension plan had been restored, but the other outstanding issues she had were still unresolved.

Miss F's new complaint was allocated to one of our Investigators, who then contacted Scottish Widows to ask for Miss F's file so that they could then investigate her complaint. The Investigator chased Scottish Widows for the file, but no response was received.

In mid-September 2023 the Investigator issued their view on Miss F's complaint. The Investigator sent a copy of Miss F's email of 25 June 2023 to Scottish Widows with their view.

The Investigator concluded that Miss F had not been treated fairly by Scottish Widows. They said that to put things right Scottish Widows should revisit the issues that Miss F had highlighted in her 25 June 2023 email and provide her with a full response to these issues.

The Investigator also said that Scottish Widows should pay Miss F £250 compensation for the ongoing distress and inconvenience that she'd suffered due to their errors.

In September 2023 Miss F responded to the Investigator's view and said that she had still not received any response to the queries that she'd raised with Scottish Widows in June 2023. Miss F also said that she thought compensation of £250 was not enough given the time that she had spent trying to resolve matters with Scottish Widows. Miss F was also concerned that the issues that she had with Scottish Widows remained unresolved.

Scottish Widows also responded to our Investigator's view to say that they accepted what the Investigator had said.

As Miss F hadn't accepted the Investigator's view this complaint has been brought to 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.

Miss F has complained about poor service that she has received from Scottish Widows.

Scottish Widows has acknowledged that they did provide poor service to Miss F and accepted our Investigator's view that they should now pay Miss F £250 in compensation for the ongoing distress and inconvenience that she's suffered due to their failings. Scottish Widows has also accepted the Investigator's view that they should respond to the issues that Miss F set out in her email to them sent on 25 June 2023.

I therefore don't think that there is any dispute that Miss F has not been treated fairly by Scottish Widows, or that Scottish Widows should now put things right for her.

However, Miss F has not accepted the Investigator's view that Scottish Widows should pay her £250 in compensation for the distress and inconvenience that she suffered because of Scottish Widows errors.

Miss F has said that she thinks that level of compensation does not adequately reflect the time that she has spent trying to resolve her complaint with Scottish Widows, nor does it reflect the overall timescale that her complaint with Scottish Widows has been going on for. Miss F thinks that a compensation payment of £500 more accurately reflects the inconvenience that she's suffered due to Scottish Widows' errors.

Miss F's previous complaint against Scottish Widows was closed in May 2023 and Scottish Widows had paid Mrs F £500 for the inconvenience that she'd suffered due to their errors.

Therefore, in considering any amount of compensation which would be fair and reasonable in this complaint, I think that it would only be appropriate to consider the errors made by Scottish Widow after her previous complaint was closed in May 2023.

I think that a payment of £500, in line with what Miss F is seeking, might be fair where the impact of Scottish Widows' mistakes has caused her considerable distress, upset and worry, or significant inconvenience and disruption that needed a lot of extra effort to sort out. Typically, the impact of Scottish Widows' errors would last over many weeks or months.

I have however not seen any evidence to show that the errors made by Scottish Widows which relate to the complaint that she brought to this service in July 2023 would warrant this level of compensation.

I fully appreciate and understand that Miss F has suffered inconvenience and distress due to Scottish Widows' errors and she has had to spend time trying to resolve the issues she's raised with them. However, taking all of this into account I think that, on balance, a compensation payment of £250 would be fair and reasonable in respect of this complaint.

Putting things right

I think that a fair outcome for Miss F is for Scottish Widows to now resolve the outstanding issues that Miss F raised with them in her email of 25 June 2023.

Scottish Widows has admitted the errors made and has been aware of Miss F's concerns since late June 2023. Miss F remains concerned that these issues remain unresolved. I therefore think it reasonable and fair for Scottish Widows to have resolved Miss F's concerns within four weeks from the date of this decision.

I also think that Scottish Widows should pay Miss F £250 compensation in respect of the distress and inconvenience that their errors have caused.

My final decision

My final decision is that I uphold Miss F's complaint against Scottish Widows Limited and that Scottish Widows Limited should compensate Miss F, and put things right for her, as I have detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 28 November 2023.

Ian Barton
Ombudsman