

The complaint

Mrs W complains that Scottish Widows Limited trading as Halifax Financial Services (Halifax) caused unnecessary delays in providing information and surrendering, policies held through them that she had inherited.

What happened

Halifax say they were informed about the passing of Mrs W's father in June 2021. Her late father held investment policies with them which included a Guaranteed Investment Plan (GIPH policy) and a Personal Investment Plan (PIPH policy). The investments were to be split between Mrs W and her brother.

Mrs W first complained to Halifax in July 2022. She said that she'd sent an authority form for her advisor and request for policy information two months earlier, but hadn't received it. Halifax apologised and paid Mrs W £150 for the inconvenience caused.

Mrs W then complained again in November 2022. She said that ongoing delays in providing the required information, meant a delay in receiving the financial advice she needed and caused her a financial loss. Halifax paid Mrs W a further £750 and offered to consider any detriment in the price she received due to delays.

A further complaint was raised in January 2023. This was that there had been a delay in surrender and paying the proceeds. Halifax again upheld the complaint. They paid Mrs W a further £275 for the inconvenience caused (total £1,175) and a reimbursement of call costs for £6. They also paid interest for the delays in receiving funds from the GIPH policy (8% from 2 June 2022). They subsequently agreed that Mrs W would also have surrendered the PIPH policy sooner, had they provided the required information in a timely manner. So, they also compensated Mrs W as if the policy had been surrendered on 9 August 2022 (instead of in January 2023) and paid 8% interest on that amount.

Mrs W remained unhappy and brought her complaint to our service for an independent review. Our Investigator looked into it and thought Halifax should do more. He said the offer for the inconvenience caused and the delays with the GIPH was fair. However, he thought the date that Halifax should have used for surrendering the PIPH was sooner, 27 July 2022. And asked them to compare the surrender value to that date (and add any interest).

Mrs W didn't accept this, she felt that more should be done to compensate her for the significant worry the episode had caused. Halifax accepted the view, but said that offer already paid to Mrs W was more than the investigators proposed award. As no agreement was reached, the case has been passed to me to reach 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.

Many points have been made in relation to this complaint – I've tried to set out the key

issues I think are important here. And I've answered them below in turn.

Surrendering GIPH policy

Mrs W didn't receive the proceeds from this policy until 16 January 2023. Halifax have already accepted that had they not made errors, she would have received the funds sooner. They said the soonest she could and should have received them was 2 June 2022. They therefore paid interest of 8% for loss of use of funds for between these two dates and the Investigator thought this was fair.

I agree. I think this is a reasonable date of payment to use, had Halifax provided Mrs W's advisor with the necessary information following the request on 5 May 2022. I don't think Halifax need to do more here.

Surrendering PIPH policy

The PIPH policy could remain invested and so the value fluctuated. Halifax agreed that Mrs W would also have accessed the value of this sooner, had they done what they should have. They calculated the date this should have been as being in August 2022.

However, I agree with our investigator that it was sooner. The 27 July 2022 date he proposed and accepted by Halifax, seems fair. This is the number of days Mrs W's advisor did take when they received the information, from the date they should have initially got it. However, the value of the policy on this date is less than the one already used by Halifax in their redress calculation for this policy. So, Mrs W has not suffered any further financial loss here.

Payment for distress and inconvenience

Halifax have paid Mrs W a total of £1,175 compensation for the distress and inconvenience their errors have caused. Mrs W doesn't think this is enough, but I do. I understand this will have been a difficult time for her, in already stressful circumstances. And I know that Halifax's errors will have exacerbated this. However, considering the impact the numerous errors and delays had, I think the significant amount already paid fairly recognises this.

In summary, I think that Halifax had already compensated Mrs W fairly for the distress and inconvenience caused and for delays in her accessing funds from the GIPH policy. Whilst I don't think they fairly compensated her for delays in accessing the PIPH policy, they have satisfied me that Mrs W hasn't lost out despite this. I therefore don't ask them to do anything more.

My final decision

My final decision, for the reasons stated above, is that Scottish Widows Limited trading as Halifax Financial Services don't need to do anything further to put things right. Whilst the method of redress they used wasn't correct, Mrs W hasn't lost out as a result.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 17 April 2024.

Yoni Smith
Ombudsman