

The complaint

Mr J has complained about the way Aviva Life & Pensions UK Limited (Aviva) handled his request to surrender the investment bond he held through them.

What happened

Aviva say they wrote to Mr J in May 2022, to let him know that the investment manager for some of their funds was changing. They say this impacted the underlying fund/s of Mr J's investment bond and gave him the opportunity to switch to other funds free of charge.

Mr J says he contacted Aviva in December 2022 to confirm he wasn't happy with the changes and charges. Aviva says they had already gone through in June 2022, as the letter in May confirmed they would. Mr J was unhappy and complained.

After much back and forth between the parties, Aviva issued a response in June 2023 to say that the original offer of a free switch was still available. They wouldn't refund any further charges as they said they'd given Mr J sufficient notice of the change in May 2022. They apologised they couldn't find a copy of that letter. Mr J brought his complaint to our service for an independent review.

Our investigator looked at it and thought Aviva could have done more following the contact in December 2022. In particular, he noted that Aviva had asked Mr J on several occasions for a copy of the letter they had sent him. Which the investigator felt they should have been able to obtain themselves. He also noted they hadn't provided Mr J with documents he had requested to enable him to surrender the investment. He recommended they pay Mr J £200 for the inconvenience caused, which Aviva agreed to.

Mr J remained unhappy. He didn't agree to the settlement and queried the charging for a closure certificate and why the account remained open.

As no agreement was reached, the case has been passed to me for 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.

Firstly, I would like to say that I sympathise with Mr J and the position he has found himself in as he has let us know that he has been recovering from ill-health. I thank him for his patience as he waited for an answer from us.

Having reviewed the file in full, I agree with the investigator that £200 is a fair and reasonable resolution in this matter.

Whilst Aviva made Mr J sufficiently aware of the fund manager changes that would impact him in May 2022, through a correctly addressed letter. They didn't deal with his requests properly after December 2022.

Whilst Mr J could have been clearer in his communications, Aviva should have done more to help resolve the matter and I see no reason why they made several requests for a copy the letter that they had sent him. I also can't see that they provided the documentation Mr J requested in a timely manner. For the distress and inconvenience this caused, I think £200 is a fair resolution.

Mr J has also complained that Aviva haven't actioned his surrender of the policy. However, whilst he has provided us with a copy of the 'cash-in' form he needs to complete. I haven't been provided with any evidence that he has completed this. I can't therefore hold Aviva responsible here. Mr J knows that is required of him and should return the form and/or contact Aviva to receive the policy proceeds.

Mr J has also complained about what he has called a certificate he has to pay for. This isn't the case. This is a chargeable event certificate. This is issued on encashment of bonds such as this, to help show if there is any chargeable event arising and any potential tax implication. I haven't seen any evidence of a cost for this certificate and I hope I have explained this to Mr J. He can contact Aviva further with any questions.

In summary, I think the only thing Aviva have done wrong is not dealing with Mr J's concerns in December 2022 and his request for further documentation, more quickly. I agree with the investigator that £200 for the impact of this is fair.

My final decision

My final decision, for the reasons set out above, is that Aviva Life & Pensions UK Limited should pay Mr J £200 for the inconvenience caused, if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 17 October 2024.

Yoni Smith
Ombudsman