

The complaint

Mr W complains that Scottish Widows Limited can't trace a Harvest Savings Plan he held a number of years ago. He believes he may be entitled to a significant pay-out.

What happened

Mr W got in touch with Scottish Widows in January 2024 to look into a Harvest Savings Plan he'd held in the 1980s after he'd found some old policy paperwork. The policy had been sold by a bank I'll call T and provided life insurance cover. It also had an investment element. The plan was due to mature in February 2020. Mr W believed he was potentially entitled to a pay-out under the plan.

As Mr W didn't hear anything from Scottish Widows, he contacted it again in April 2024. Scottish Widows said it couldn't find documentation which Mr W indicated he'd sent it. But it carried out searches using the information it had available. However, it couldn't trace a plan held in Mr W's name. It felt it was most likely that the plan had lapsed some years previously. It said that due to the time that had passed, it no longer held any records of the plan.

Mr W was unhappy with Scottish Widows' position and he asked us to look into his complaint.

Scottish Widows told us that it couldn't trace Mr W's plan. But it acknowledged that there'd been a delay in responding to Mr W's enquiries. And it offered to pay Mr W £75 compensation to reflect those delays, together with £10 to cover the postage of his missing documents.

Mr W provided us with copies of plan statements dated 1981 and 1982 which showed that at that time, his plan had had a value.

Our investigator thought Scottish Widows had made reasonable attempts to trace Mr W's plan and hadn't been able to find either the plan or any payment he was potentially entitled to. He didn't think it was unreasonable for Scottish Widows to no longer hold any data about Mr W's plan. And he thought the offer of compensation Scottish Widows had made Mr W was fair.

Mr W agreed to accept the compensation for service failings. But he didn't agree with the investigator's conclusions regarding the tracing of his plan. So the complaint's been passed to me to decide.

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, whilst I'm sorry to disappoint Mr W, I think Scottish Widows has already made a fair offer to settle his complaint and I'll explain why. In reaching my decision, I've

taken into account relevant considerations such as regulatory rules and principles, the law and the available evidence, to decide what I think is fair and reasonable in all of the circumstances.

It's clear how strongly Mr W believes that he may be entitled to a pay-out under the Harvest Savings Plan. He's provided us with plan statements from February 1981 and 1982 and April 1982, which show that he was the plan owner; that the premium for the plan was £20 per month; that it was due to mature in February 2020 and that the policy provided both life cover and had an investment value. I can entirely understand why Mr W has concerns that he may be entitled to a settlement that he hasn't been paid.

However, Scottish Widows has provided me with evidence of the searches it carried out to try and locate Mr W's plan. I'm satisfied these searches were reasonable and proportionate, using relevant and appropriate information, including Mr W's addresses, date of birth and National Insurance number. The searches show that no records of any plan were found.

Both parties accept that Mr W did, at some point, hold a Harvest Savings Plan. Scottish Widows thinks it's likely that this plan lapsed at some point during the 42 years between the date of Mr W's last statement and the date he got in touch with it to make enquiries. It thinks this is likely to have happened more than 10 years ago, which is why there are now no records of the plan. It's also possible that the plan was surrendered during the relevant period. There's no way for me to make any definitive finding as to what happened to the plan and when.

Instead, I have to make a decision based on the available evidence and on what I consider to be fair and reasonable. As I've said, I find Scottish Widows has shown that it has taken appropriate steps to try and find Mr W's plan. There's simply no record of it. I haven't seen any evidence in the form of bank statements to show that premiums continued to be paid for the plan after 1982 or on an ongoing basis up until the policy maturity date. And given the time that's passed and given Scottish Widows' legal data protection obligations, I don't think it's unreasonable for it to no longer hold data about a policy that potentially lapsed or was surrendered a number of years ago.

As such, based on the evidence, I don't think I could fairly or reasonably conclude that it's most likely the Harvest Savings Plan remained in force until its maturity date or that Mr W is entitled to any pay-out from it. It's open to him to provide Scottish Widows with any further evidence he may be able to provide which shows that premiums did continue to be paid or that the plan did remain in force.

Scottish Widows accepts that there was a delay in it responding to Mr W's January 2024 and it accepts that it likely lost the documents he sent it. It's offered Mr W £75 compensation to reflect this, as well as £10 to reflect postage costs. In my view, this is a fair award which I think acknowledges the modest amount of inconvenience and upset Mr W was put to as a result of needing to chase things up. So I'm not telling Scottish Widows to increase its offer of compensation. Mr W let us know he was prepared to accept the offer of compensation for service, so Scottish Widows should now pay Mr W £85 if it hasn't already done so.

My final decision

For the reasons I've given above, my final decision is that Scottish Widows has already made a fair offer to settle this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 4 April 2025.

Lisa Barham
Ombudsman