

The complaint

Mrs H complained about Scottish Widows Limited (SW). She said it has continuously sent incorrect information regarding ownership of her investment bond that she took out with it.

SW paid Mrs H compensation about her complaint, but she said this doesn't fairly reflect the impact its mistakes have had on her.

What happened

Mrs H took out a flexible options investment bond with SW in January 2009 in her sole name. She said between 2016 and 2023, SW has sent her incorrect, confusing, and ambiguous facts regarding the ownership of her bond. She said this has been stressful and has caused her a great deal of mental anguish over a long period of time, as SW has continuously disputed her sole ownership of the investment. She said so much of her time has been wasted in trying to resolve matters. She said she has also had to continuously revise her estate planning and will.

Mrs H said she received £250 compensation from SW, and it upheld her complaint. But she said, this does not fairly reflect what happened. She said her complaint has not been investigated or compensated adequately.

SW said in response that it accepted that it sent misinformation regarding who owned the investment bond. But it said it was unable to evidence any further costs incurred by Mrs H in relation to solicitors and financial advisers over the years. It said it asked Mrs H for this information, but it hasn't been received. It said it was unable to consider any compensation to reimburse costs. It said it had already paid £250 compensation for inconvenience already and this had been credited to Mrs H's account.

Mrs H was not happy with SW's response and referred her complaint to our service.

An investigator looked into Mrs H's complaint. He said SW had improved its offer to pay a further £150 compensation and this was for sending incorrect policy documents to another party (Mrs H's husband), as well as £250 already paid for the incorrect information it produced over the years, bringing a total of £400.

The investigator felt the amount offered was fair and consistent with the level of award we would usually see and make in the circumstances. He also said SW hadn't received any information to confirm financial loss caused. So, he felt SW were right to not offer further compensation here without seeing further information as it had requested. He felt overall SW's offer was fair in the circumstances.

Mrs H was not in agreement with the investigator's view. She said the additional £150 offered by SW was not sufficient compensation for the mental anguish caused by it, over several years.

Mrs H listed out the many times over a period of seven years that DW sent to her or informed her of incorrect details about her bond. She said this began in 2016 and then

wasn't resolved until around 7 years later as being accepted by SW as being in her sole ownership in June 2023.

Mrs H said she has spent a significant amount of time dealing with this issue over the years. She said as well as dealing with SW, she has had to also correspond with solicitors regarding the writing of her revised will, in relation to the bond. She said the uncertainty caused by SW has caused her a great deal of stress. She said she does not accept the offer from SW for an additional £150 payment, as she doesn't believe it has considered the extreme anguish it has caused her.

I issued a provisional decision on this complaint on 30 September 2024. Both parties have received a copy of that provisional decision, but for completeness I include an extract from the decision below. I said;

"I have carefully read the submissions and considered all the points made by both parties. Having done so, I'm not going to make findings regarding all of the times Mrs H has had cause for complaint, within my decision. This is because SW has admitted it made the mistakes and has taken responsibility for them. There is nothing in dispute regarding the errors SW made. It has taken responsibility about providing incorrect information to Mrs H about her bond.

Instead, I'm going to focus my decision on what is left in dispute between Mrs H and SW. The crux of Mrs H's complaint as I see it, is that she doesn't think SW has fairly compensated her for the distress and inconvenience it has caused her. So, I have considered what has happened and the mistakes SW made, in relation to this. I have considered how much distress and inconvenience SW caused and whether its offer of compensation is fair and reasonable or not.

But before I do that, I would like to address the issue that has been raised by SW about financial cost and specifically costs in relation to Mrs H amending her will. Mrs H has produced two emails from her solicitor, that she said was about this.

I have read the emails, but I don't think they clearly show or prove in this instance that Mrs H has incurred financial loss, due to mistakes made by SW. Instead, it seems to me to be general communication between Mrs H and her solicitor.

That being said, I am conscious of the fact Mrs H has not asked for her financial losses to be compensated in her complaint. Instead, as I understand it, Mrs H raised the issue of her will and her solicitor as further examples of how SW has caused her mental anguish and stress over the past 7 years. I have taken what Mrs H has said into consideration, as she originally requested, as part of her arguments to demonstrate that SW has caused her distress and inconvenience.

SW has already paid £250 for the mistakes it has made in incorrectly relaying to Mrs H that her bond was in joint names with her husband. It has also more recently offered a further £150 for what it has said is incorrectly sending her paperwork to her husband. So, I have considered whether £400 for the distress and inconvenience caused to Mrs H is enough, after reading everything that has happened here.

The Financial Ombudsman Service has provided guidance on what a business should consider when making a payment for distress and inconvenience, and this is displayed on our website. I have looked at this and compared what has happened in this complaint to our guidance, in consideration of all that has happened.

In doing so, I don't currently think what SW has paid and offered to pay is enough in the circumstances. I will explain why.

Mrs H told us that in January 2016, she received a statement from SW about the bond she took out in 2009 in her sole name, stating that it was in joint names with her husband.

I can see that SW in its responses to Mrs H's current complaint, considered its payment and further offer for distress and inconvenience based on issues it identified in 2022 and 2023. But Mrs H has informed it and our service that these same mistakes occurred years before this and were ongoing throughout that time. Mrs H has recorded down details of seven years trying to put right SW's mistakes and these have not been disputed.

Mrs H had to endure worry and distress, as, when she sought what she thought was a resolution from SW, she would then receive another statement showing the same mistakes again. In 2018 and 2019 she said she received statements for example, showing the bond in joint names rather than in her sole name.

I can also see that when Mrs H has flagged up the same issues over the years, by her recollections, she has received inconsistent and muddling advice back about it. Mrs H has recorded down the many times throughout the seven years that she has tried to resolve matters. She has been re-assured on a number of occasions that the policy was in her sole name, only to be sent something else by SW stating otherwise. This went on according to Mrs H, up to April 2023 when she said she received another letter confirming her policy was in joint names, and not her sole name.

When I consider all that, the parties have said here, I don't think SW has paid enough in recognition of how much distress and inconvenience it has caused by not resolving, what on the surface looks a straightforward issue to put right. I can see that this all would have put a considerable strain on Mrs H, as she would have worried about her investment and what would happen if anything were to happen to her.

I therefore currently consider an overall award for distress and inconvenience of £750 to be fair and reasonable in the circumstances of Mrs H's complaint. This would incorporate what has already been paid and what has already been offered. So, I am directing SW to pay an additional £350 on top of the £250 it has already paid, and the £150 it has offered.

I am awarding £750, for all the reasons I have given above that I think would have caused Mrs H considerable distress, upset and worry. I think the issues raised in this complaint would have taken Mrs H a lot of effort and time to sort out. What I think though, is the most taxing part of Mrs H's complaint is the significant amount of time that the issues span across, relating to the ownership of her bond.

It is for these reasons that SW need to pay more compensation to Mrs H and so it follows that I currently uphold her complaint. SW now needs to put things right."

I asked both parties to let me have any comments, or additional evidence, in response to my provisional decision. Mrs H responded on 30 September 2024 and said my provisional decision accurately reflects the true sentiment and understanding of her complaint. SW responded on 14 October 2024 and said it accepted my findings.

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.

Neither party has anything further to add that I feel I need to comment on or that will change the outcome of this complaint. So, because of this, I don't see any reason to depart from my findings within my provisional decision. So, I uphold Mrs H's complaint and SW now needs to put things right.

Putting things right

SW needs to pay a revised payment for distress and inconvenience for the reasons I gave in my provisional decision. I am aware it has already paid £250, and Mrs H has received this.

SW needs to also pay an additional £150 as it said it would, along with a further £350 for the reasons I have given in this decision. So, it needs to pay Mrs H a further £500 in total along with the £250 it has already paid.

My final decision

My final decision is that I uphold Mrs H's complaint about Scottish Widows Limited. Scottish Widows Limited needs to put things right as I have described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 11 November 2024.

Mark Richardson
Ombudsman