

The complaint

Mr J complains that Scottish Widows Limited made errors when it processed a correction to his pension account causing him to suffer a financial loss. He also complains about the clarity and accuracy of the information Scottish Widows Limited provided to him.

What happened

Mr J has a Group Personal Pension with Scottish Widows.

Mr J's employer made payments into his pension each month. These consisted of employee contributions which were deducted from his salary and employer contributions. The first payments into the pension were taken from his salary in May 2023. These were added to his pension in June 2023.

In June 2023, his employer made an error and incorrectly processed an overpayment of £436.79 which was paid into his pension in July. Although his employer corrected Mr J's June salary before it was paid to him, the overpayment was credited to his pension account. Mr J says his employer advised Scottish Widows about the overpayment on 18 July 2023 but he says Scottish Widows failed to act in a timely manner and only carried out a correction on 5 September 2023.

Mr J says he noticed the value reported against his pension had dropped by a significant amount between September and October 2023. He asked Scottish Widows for an explanation. He also expressed dissatisfaction because Scottish Widows said his email address was not showing as registered on its systems. Mr J asked Scottish Widows to send him a full movement history on his pension.

After he received the full movement history Mr J asked for explanations of some of the terminology used. He also queried why the information on the website still showed the incorrect contributions, even after the correction had been made.

Scottish Widows sent him an email dated 21 December 2023 setting out an explanation of the various terms it had used on the movement history. It also explained that his contribution history on its website showed all of his contributions including the erroneous ones. It acknowledged that the correction was not showing and stated this was "not ideal." It said it was working on a fix for the system that should rectify this in the future.

After investigating the complaint Mr J had made to it, Scottish Widows sent him a final response letter dated 4 January 2024 (the First FRL). It said the value change in his pension was due to a correction it had made following the overcollection that'd taken place. It said this overcollection had been caused by an error made by Mr J's employer. It said his employer was responsible for communicating details about this to him. It said his email address hadn't been authenticated because he hadn't clicked on the appropriate link in his profile.

Mr J replied to Scottish Widows. He said there was an error in the way Scottish Widows had corrected his pension. He thought it ought to have taken the over collected amount out of the

payment that'd been credited to his pension in July and not the payment that'd been credited in June. He complained to Scottish Widows and he referred his complaint to our service.

In his complaint to our service he raised the following issues which by way of summary were:

- Scottish Widows had not corrected his account properly;
- Scottish Widows had not informed him it had made a clawback from his account. He thought it shouldn't have done this without his agreement or appropriate financial justification checks being carried out;
- The clawback had not been made in a timely way;
- The information about his account on the website still showed the unadjusted payments. No adjustment was showing for September 2023; and
- There was no clear information of the fund management charges being provided on the website.

Scottish Widows considered what Mr J had told it in response to the First FRL. It issued a further final response letter dated 2 February 2024 (the Second FRL). It accepted it should've taken the over collected amount out of the payment that'd been taken from his salary in June and credited to his pension in July. It said it would re-work his policy and arrange to send him a revised statement. It sent him a cheque for £300 by way of compensation for the error it had made.

Mr J subsequently received the revised statement. He didn't agree with the way that Scottish Widows had re-worked his policy. He thought he'd lost out as a result. He said Scottish Widows ought to have corrected its error by adjusting the number of units on the original transactions. If it had done that he said the adjustment would've been:

A reduction of 4.472 units from Portfolio 4 and
An increase of 11.097 units in Portfolio 3.

Instead, Scottish Widows had adjusted the units as follows:

An increase of 15.219 units in Portfolio 4
A reduction of 5.677 units in Portfolio 3

Mr J acknowledged that the difference in the value as a result of the way that Scottish Widows had made the adjustment was minimal. He mentioned that the difference at that time (February 2024) was "only 3 pence" (before any adjustments for interest that might also be payable). However he thought that longer term this could have a greater impact because he expected the Portfolio 3 units to perform better than Portfolio 4. He asked Scottish Widows for further information about how interest (or other factors) impacted on the correction calculations.

Mr J also didn't think Scottish Widows had responded to all of the points he'd raised with it and he said he didn't accept that £300 was enough to compensate him for what had happened. He asked our service to continue to investigate his complaint.

Our investigator looked into his complaint. She thought Scottish Widows should put Mr J back into the position he would've been in had the error not occurred. She thought it was fair and reasonable for Mr J to have the correct number of units in each of his funds. She said Scottish Widows should re-work his policy to achieve this.

She also considered the distress and inconvenience Mr J had experienced as a result of what happened. She noted there were shortcomings in Scottish Widows' systems which had

caused issues with verification of his email address. But she said we didn't have power to interfere with a business's policies or systems. She also noted that Scottish Widows hadn't explained why the correction wasn't made until September – even though it had known about the overpayment since July. But, having considered everything she thought the £300 which Scottish Widows had offered for distress and inconvenience was in line with what our service would've recommended. So, she didn't think it should be asked to increase the amount of compensation.

Mr J responded to what our investigator said. He said he'd received a further final response letter from Scottish Widows dated 9 May 2024 (the Third FRL). He sent a copy of this letter to our service. Our investigator hadn't been sent this letter previously by either party.

By way of summary, in the Third FRL Scottish Widows said the first correction (in September 2023) had been carried out as a monetary adjustment. To correct matters it had now carried out a unit adjustment (the second correction). The number of units it had removed in the second payroll matched the number of units it had bought in the July payroll. When carrying out the second correction it had taken account of Lifestyle Rebalancing – which was the investment strategy applicable to Mr J's pension.

Scottish Widows said that, strictly speaking, the second correction had not fully allowed for Lifestyle Rebalancing between the time of the error and the time of the correction. However, it said this didn't make much difference. It had completed detailed financial detriment calculations and had concluded that the financial detriment to Mr J was currently around £0.58. It said a complex manual adjustment would be required to do a complete re-work. In these circumstances it offered to pay Mr J an additional £200 in compensation rather than carry out a complete re-work.

Our investigator thought that the Third FRL was confusing. She said she didn't understand why Scottish Widows couldn't re-work the policy so that the units in each fund were correct. She said it should re-work the policy so that Mr J was put back into the position he would've been in had the error not occurred. In addition, she considered the increased offer of £500 (in total) which Scottish Widows had made for distress and inconvenience. She thought this was fair and reasonable.

Scottish Widows did not agree with what our investigator said. It said it had been willing to increase the offer of compensation to £500 but only in circumstances where it was not required to re-work the policy. If it was required to re-work the policy it thought its original offer of £300 was fair and reasonable.

Mr J also didn't agree with what our investigator said. He said she'd not commented on his complaints about Scottish Widows not informing him before it had made corrections to his pension; the erroneous information showing on the website; and the lack of transparency about the fund management charges. He also thought the amount of compensation he should be awarded for the distress and inconvenience he'd experienced should be much higher than £500.

Our investigator thought about what Mr J said. She said that she'd not considered any new complaint points he'd raised after the date that the Second FRL had been issued. He'd asked Scottish Widows about interest and charges on 18 December 2023 and chased this on 26 February but he'd not received any response. So, our investigator thought he'd need to raise this as a separate complaint.

Because neither party agreed with what our investigator said, the complaint was passed to me to decide. I issued a provisional decision in which I said:

What I've provisionally 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.

First I'd just comment that although our investigator didn't think Scottish Widows had responded to Mr J's complaint about the charges not being transparent I can see it did send him a response on 21 December 2023 about the query he'd raised with it about its charges.

In his email of 26 February 2024, Mr J also asked Scottish Widows to advise him of any interest (or other) factors that were included in any monthly or other adjustments. This was information he wanted to help him reconcile the second correction that'd been made.

Scottish Widows addressed this latter point in its Third FRL.

Having reviewed all the correspondence I'm satisfied that the issues Mr J has raised about the transparency of the charges and the interest (or other) factors included in the monthly adjustments can be considered in this decision.

So, I've decided that in this decision I will be dealing with each of the following complaint points which Mr J raised with our service:

- The corrections to his pension – he complains that these have not been done correctly;*
- Scottish Widows didn't inform him, before it made the correction to his account in September 2023;*
- Scottish Widows' online portal (the website) had incorrect figures which didn't reflect the actual values paid in or the adjustments that'd been made;*
- The Fund Management Charges were not transparent;*
- He'd not been informed about how interest (or other factors) impacted on the corrections that'd been made; and*
- The compensation he'd been paid for distress and inconvenience was not acceptable.*

I've thought about each of these issues:

The corrections to his pension

Scottish Widows has agreed with Mr J that the first correction it made to his pension should have taken the over collected amount from the payment into his pension in July 2023 and not the payment that'd been credited in June 2023. It has subsequently attempted to correct the matter again.

When a business makes an error, it should aim to award fair compensation to put the consumer as closely as possible back into the position he would probably now be in if that error hadn't happened. The error Scottish Widows made here was in how it corrected the overcollection in September. It wasn't responsible for the overcollection itself.

There is disagreement between Mr J and Scottish Widows about how the second correction has been carried out. Both parties agree that Mr J has suffered a financial detriment as a result of how the second correction has been carried out and both

parties agree that the amount of that financial detriment is currently less than £1. However Mr J says that following the second correction, the allocation of his funds between Portfolio 3 and Portfolio 4 could result in much more significant financial detriment in the future.

In its Third FRL Scottish Widows has provided more details about the corrections it made to the pension. It says the second correction had two parts: adding back the units removed in the first correction and removing the excess units that were purchased, as a result of the overcollection, in July 2023. That should've been enough to correct the matter and put Mr J back into the position he would've been in if (a) the overcollection had not happened and (b) the first correction had not happened. However Scottish Widows acknowledges that even after the second correction there is still a financial detriment to Mr J (currently less than £1). It has explained the reasons for that:

- The first correction was done as a monetary adjustment whereas the second correction was done by selling the exact number of units that were purchased as a result of the overcollection. Neither of these approaches took account of Lifestyle Rebalancing, which is the investment strategy that applies to Mr J's account, or Charges.*
- Each month Mr J's account is rebalanced in line with the Lifestyle Rebalancing strategy. Further details about this strategy are set out in the Third FRL which explains that each month the payments into the pension are allocated with a different distribution into the two funds. The split between the two funds changes each month in line with the strategy. So, for example, in July the split was 26.7%/73.3% whereas by February 2024 this had changed to 40%/60%. Scottish Widows says this would have equated to around £0.27 of financial detriment to Mr J which had not been taken into account when it made the second correction.*
- Charges were also not taken into account. Scottish Widows says that charges are applied against the daily holdings which would've been higher than they should have been as a result of the overcollection. It says this would have equated to around £0.31 of financial detriment to Mr J which had not been taken into account when it made the second correction.*
- Scottish Widows says that due to system constraints, it was unable to simply re-key and back date the payment. So a manual calculation was required to work out what the financial detriment to Mr J was, had rebalancing and charges been taken into account. It says the financial detriment is currently less than £1.*
- Scottish Widows says that to re-work Mr J's account to allow for rebalancing and charges would not be straightforward and would take additional time. So, it says, if Mr J is willing to accept the position without the account having to be re-worked, it is willing to increase the compensation it's prepared to pay him by £200.*

Mr J does not agree. He says that if Scottish Widows wants this to "go away" it would need to offer him substantially more by way of compensation.

I've thought about what both parties have said here. As I've mentioned above when a business makes an error we expect it to try to put the consumer as closely back into

the position he would have been in had the error not happened. Having considered everything here, I think that Scottish Widows has tried to do that. It acknowledges there is still a financial detriment (currently less than £1) to Mr J. It has described why there would be significant time and effort required to re-work his account to achieve a situation where there is no financial detriment. So, it has instead offered to pay Mr J an additional amount of compensation. It has also pointed out that he could use all or part of that sum, if he so wishes, to make an additional contribution to his pension which would offset the difference that had arisen due to the corrections.

Having considered everything here, I think the explanations Scottish Widows has given for the differences in the calculations are reasonable. It's also explained why it would be complex and time consuming to have to re-work the corrections. The financial detriment is currently less than £1 and Scottish Widows has offered to pay financial compensation instead of re-working the account.

Having considered everything, I'm currently not persuaded, it's fair and reasonable to require Scottish Widows to have to re-work the account. I'll comment further below about the amount of the additional compensation it's offered to pay.

Scottish Widows hadn't informed him before it had made the correction to his account in September 2023

As I've stated above, the overcollection that occurred and which was paid into Mr J's pension in July 2023 was caused because of an error made by Mr J's employer.

Mr J's employer made him aware of the issue on 26 June 2023. It said that it could reprocess his salary payment so that he had the correct payslip and it would then "sort out the refund" with Scottish Widows. Mr J agreed to this course of action. He didn't hear anything further from either his employer or Scottish Widows and he says he first became aware of an issue when he noticed that the value of his pension had dropped significantly in September/October 2023.

Scottish Widows says that it was up to his employer to keep him informed about what was going on. Mr J doesn't agree. He thinks Scottish Widows shouldn't be able to adjust his pension without informing him first.

I've thought about what both parties have said here. It is the case that Scottish Widows was required to return the overcollection to Mr J's employer. Mr J agrees with that.

The terms and conditions for the Group Personal Pension plan say that the role of Scottish Widows is to manage the pension plan in line with the plan documents, scheme rules and applicable laws and regulations. It is also responsible for a number of other matters including providing web access – where Mr J could "view and obtain information about his plan" and sending him annual benefit statements.

The terms state that the employer will let the member (the employee - in this case Mr J) know how much they pay into the plan and how often they make the payments.

The terms also include details about when a refund might be due – such as where a single payment or a transfer payment is cancelled. In these circumstances Scottish Widows agrees to refund the payment – but if it's already been invested and its value has fallen it will instead refund the lower value.

It is the case that Mr J had web access. However, as Scottish Widows has acknowledged the information on the web was insufficient to allow him to see that there'd been a correction to the payments that'd been made into his account. In these circumstances, I think it would have been good practice for Scottish Widows to have contacted Mr J to tell him there'd been a correction to his account as a result of the overcollection and to have provided him with further details.

I can see that after Mr J contacted it Scottish Widows did provide him with further details – including a full movement history. It also described the system limitations with its website and explained that this was something it was trying to improve. I think the actions it took after the matter was raised with it were fair and reasonable. However, I agree that Mr J was inconvenienced and did experience distress as a result of the incomplete information that had been made available to him at the time the correction was made. I'll comment further below about the compensation that Scottish Widows has offered to pay him for distress and inconvenience.

Scottish Widows Website had incorrect figures which did not reflect the actual values paid in

As I've mentioned above Scottish Widows has acknowledged that the information on its website did not include information about the correction that'd been made in September 2023. It says that the information on the website recorded the actual contributions that'd been made by Mr J's employer into his pension – but not adjusted for the overcollection amount that'd been corrected. Scottish Widows acknowledged this was "not ideal" and said it is working on a fix that should rectify this in the future.

It's important that a business should provide information to its customers which is clear fair and not misleading. That's a regulatory requirement.

However, Scottish Widows' systems and processes are not something that this service would normally interfere with as they are a legitimate exercise of its own commercial judgement. What I can comment on is the information that Scottish Widows has provided to Mr J here.

Scottish Widows explained to Mr J that the website was intended to provide a reasonable amount of information but it was a supplementary service – which meant that if he needed any further details about his pension he had to contact Scottish Widows - in the way that he had done. After he contacted it, Scottish Widows did provide a full movement history to him. And it provided that information in a timely manner. Mr J was also provided with clarification on the terminology used in the movement history when he asked for it. So, although the information on the website did not show the corrections, Mr J was able to see fuller details when he received the movement history.

Having considered everything, I'm persuaded on balance the actions Scottish Widows took to provide Mr J with the information he sought was fair and reasonable.

The Fund Management Charges were not transparent.

Mr J says that over time, although he doesn't think the information is clear, he has managed to understand the fund management charges based on the information that Scottish Widows has sent to him. However, he thinks the basic information on the website isn't transparent.

The terms and conditions, which would have been issued to Mr J when his pension commenced, provide details about the fund management charges. Further information is also available in the “Charges Information Document” (available on the website) and on the annual benefit statement.

The terms provide that the “fund based” charge is calculated each day. It is taken from the account once each month by selling the appropriate amount of units from the account. Mr J has been able to see these charges on the movement history Scottish Widows sent to him. The terms include an example of how this charge is calculated.

The terms also include details of the “fund management” charge which is deducted from the value of the fund’s assets before the unit price is calculated.

Although Mr J thinks that this information has been “hidden” because it is not transparent on the website, I’m not persuaded, on balance, Scottish Widows has hidden this information. It is included in the terms. And when Mr J asked for the full movement history, and subsequently for clarity about what the different terms meant, Scottish Widows provided this information to him in a timely manner.

So, having looked at the information Scottish Widows provided to Mr J including the terms for his pension account and the movement history, I’m satisfied, on balance, the information provided about fund management charges was clear. And, as Mr J acknowledges, he has, over time, been able to understand the fund management charges that apply to his pension based on all of the information he’s now been provided with.

Scottish Widows had not informed him how interest (or other factors) impacted on the corrections that’d been made

In the Third FRL Scottish Widows provided more detailed explanations about the factors it had taken into account when it carried out the second correction. It also explained why interest was not a relevant factor.

I think the explanations it’s provided in the Third FRL are fair and reasonable. However, I have noted it didn’t provide these explanations until May 2024 which was several months after Mr J raised the matter with it and also after the complaint had been referred to our service. I’ve taken that into account when considering what’s fair and reasonable in terms of how Mr J should be compensated for the distress and inconvenience he’s experienced here.

Distress and Inconvenience

Scottish Widows has accepted it made an error when it carried out the first correction and it accepts that, even after the second correction, there is still a (small) financial detriment to Mr J. It says the financial detriment is less than £1.

Scottish Widows has also acknowledged that due to system constraints the information on its website wasn’t as full and complete as it could have been. It also accepts it didn’t respond to Mr J’s email of 26 February until it issued the Third FRL – almost three months later.

When a business makes errors it’s not our role to fine or punish it. We look to see what the business has done to put things right and whether its proposals are fair and reasonable in all the circumstances of the case.

When thinking about what needs to be done to put things right our Rules provide that we can make a money award for such amount as we consider to be fair compensation for one or more of the following:

- financial loss (including consequential or prospective loss);*
- Pain or suffering;*
- damage to reputation;*
- distress or inconvenience whether or not a court would award compensation.*

There's further information available on our website setting out what our service takes into account when deciding what amount of compensation would be fair overall to put right the impact a mistake has on a complainant.

I'd firstly just comment that although Mr J has experienced financial loss because of the way that the second correction was made – I'm not persuaded, for reasons stated above, that Scottish Widows should be required to re-work his account. I'm satisfied, on balance that compensation for this financial loss can be included in the overall award for distress and inconvenience that should be paid to him.

Scottish Widows has offered to pay Mr J an additional £200 (£500 in total) in full and final settlement of his complaint. It says that takes into account the financial detriment he's suffered (even after the second correction has taken place), an amount for failing to respond to an email he sent it in February 2024 and an amount for distress and inconvenience he experienced as a result of what happened here.

I've taken everything into account, including what Mr J has told us about the distress and inconvenience he experienced when he had to contact Scottish Widows on several occasions to get information about the corrections that had taken place and the time and effort he expended trying to get the first correction adjusted.

I think the impact of Scottish Widows' mistake here has caused Mr J considerable distress and inconvenience. He needed to expend extra time and effort to get Scottish Widows to provide him with the information he needed to check his pension and to get Scottish Widows to make the first and then the second correction. The second correction was made in February 2024 – which was five months after the first correction had been made and around seven months after the overcollection had been made. Scottish Widows only provided the fuller explanation that Mr J sought about the second correction when it issued the Third FRL in May 2024 – which was almost three months after he'd asked for this detailed explanation.

Having considered everything, including our general guidelines about distress and inconvenience, I've provisionally decided that an additional payment of £200 (being £500 in total) is not enough to compensate Mr J for the distress and inconvenience he experienced because of what happened here. And, having thought about how Scottish Widows' error impacted Mr J (which I've outlined above), I've provisionally decided that an additional payment of £300 (being £600 in total) is fair and reasonable in all the circumstances. For avoidance of doubt, this amount includes compensation for the financial detriment he's suffered (referred to above) and the distress and inconvenience he's experienced. I don't intend to require Scottish Widows to re-work his account.

My provisional decision

For the reasons given above, I intend to uphold this complaint, in part, about Scottish Widows Limited.

I intend to require Scottish Widows Limited to pay Mr J an additional £300 (being £600 in total) by way of compensation for the distress and inconvenience he experienced here.

Scottish Widows responded to my provisional decision. It said it agreed with the decision.

Mr J also responded to my provisional decision. By way of summary he said:

- The email from Scottish Widows dated 14 December 2023 had not been taken into account. In that email Scottish Widows had tried to “sweep this under the carpet.” He thought this had added to his distress and inconvenience;
- There had been two offers for an additional £200 compensation. One for not responding to his email dated 26 February and then the further offer of an additional £200 in the Third FRL – for a different reason. Scottish Widows shouldn’t be allowed to change its reasoning for compensation; and
- There are financial regulations he believed Scottish Widows was not adhering to and this should be tightened up to avoid others experiencing the same issues as he’d experienced.

So, I now need to make my final 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.

I’ve considered Mr J’s responses to my provisional decision. Having done so, I’ve not changed my view or the reasons for my view, as set out in the provisional decision, about how this complaint should be resolved.

Mr J says other consumers may be experiencing the same issues as he’s experienced. However, as I explained in my provisional decision, our role is not to fine or punish a business when it makes a mistake. We are not the regulator. Our role is to look at what’s happened in a particular case, and if an error has been made, we try to put the consumer as closely back into the position he/she would’ve been in had the error not occurred.

When thinking about this matter, I took into account all of the information that’d been provided – including the email dated 14 December 2023 which Mr J has referred to. In that email Scottish Widows had explained why it didn’t think it was responsible for the fact that there’d been an overcollection. It also explained that another colleague would write to Mr J to advise that the change in the value of his pension, which he’d queried, was due to a correction following the overcollection. The email also referred to other issues Mr J was having with the online service.

Having read the email again, I’m not persuaded it was an attempt to “sweep the matter under the carpet”. As I said in my provisional decision, Scottish Widows wasn’t responsible for the error which had resulted in the overcollection. It did subsequently attempt to correct Mr J’s pension and I’ve commented on the errors it made during that process. When thinking about the distress and inconvenience Mr J experienced I took all of these factors into account.

Mr J says Scottish Widows offered him two amounts of £200 by way of additional compensation – he says that means its offered him £700 in total. He doesn't think it should be allowed to change the reason it gave for the additional compensation of £200 and effectively then withdraw that offer.

I can see that in the Third FRL Scottish Widows offered an additional £200. It said this was because Mr J remained dissatisfied with the outcome of the re-work which had been completed and because it hadn't responded to an email he'd sent on 26 February 2024. It said this offer was in full and final settlement of his complaint and would mean it would not be making any further corrections to his pension account.

Scottish Widows subsequently wrote to our service to say it had brought its calculations of the re-work up to date and the financial detriment Mr J had experienced because of the way it had carried out the re-work had increased from around £0.50 to around £0.60 (July 2024). It confirmed that its offer was to ask Mr J to accept "the £200 additional payment to resolve the issue" without having to make any further adjustment to his pension account. It reiterated that this £200 was on top of the £300 already paid. Mr J wasn't willing to accept this offer.

Mr J thinks two offers for additional compensation of £200 have been made.

However, having considered everything, I'm not persuaded on balance that Scottish Widows has offered more than £500 in total by way of compensation here. The Third FRL set out the basis on which the offer to pay an additional £200 was being made. That letter made clear this offer was in full and final settlement and would mean there would be no further corrections made to his pension account. Although Mr J says he thinks there was a different reason given for the offer which Scottish Widows made when it subsequently wrote to our service, I'm not persuaded on balance that that was the case. Scottish Widows did not change the amount of the offer it had made or the condition which attached to that offer. It also made clear that the £200 additional payment was on top of the £300 already paid.

When thinking about fair and reasonable compensation for distress and inconvenience, as I said in my provisional decision, I took into account a number of factors, including the impact Scottish Widows' mistakes had on Mr J; the financial detriment (which was less than £1) which he'd experienced as a result of the way Scottish Widows had carried out the corrections to his pension; and our general guidelines for awards for distress and inconvenience. I didn't think £500 (in total) was sufficient. I thought Scottish Widows should pay Mr J £600 (in total) by way of compensation and I didn't think it should be required to carry out any further adjustment or re-work to his pension account.

Having thought about everything again, although I know it will disappoint Mr J, I've not changed my view that Scottish Widows should not have to carry out any further adjustment or re-work of his pension account. And, I remain of the view that Scottish Widows should be required to pay Mr J an additional £300 (£600 in total) by way of compensation for distress and inconvenience. I think that is fair and reasonable compensation for what happened here.

My final decision

For the reasons stated above, I uphold this complaint, in part, about Scottish Widows Limited.

I now require it to take the following action:

- Pay Mr J an additional £300 (being £600 in total) by way of compensation for the distress and inconvenience he experienced here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 16 December 2024.

Irene Martin
Ombudsman