

The complaint

Mr B complains, in summary, that Phoenix Life Limited ('Phoenix Life'), trading as Standard Life – I will refer to Phoenix Life throughout for ease – should have used a different date to calculate his pension value, when processing his request to move this to a new plan with it.

What happened

I've outlined what I think are the key events and points involved in Mr B's complaint below.

On 11 October 2024, Mr B asked Phoenix Life how he could quickly take his benefits with it, particularly as he was concerned about what might be announced in the budget at the end of that same month. And he was told the process would be much quicker if he made his request online. Mr B was also told, in summary, that the value wasn't guaranteed and would continue to change until paid into his bank account, that values are calculated at close of business the previous working day and he'd be sent confirmation once it had processed his request.

So, on Saturday 12 October 2024, Mr B made an online request to switch his existing Phoenix Life pension – that had an illustrative retirement value of £212,244 – to a new pension plan with it, as that would allow him to take tax free cash at just over £53,061 when it seems his existing plan didn't allow for this. And he intended to reinvest the remaining amount of just over £159,183 via the new plan.

At the time Mr B was told, in writing, amongst other things, that Phoenix Life would action his request as soon as it could, but that currently some payments were taking longer than usual to process. Mr B was told that his fund would remain invested until it had processed his application and that the amount he receives may differ depending on how his fund value has moved while processing his transaction.

On 19 October 2024, Phoenix Life sent Mr B confirmation that his request had been processed, it was now complete and that the money should be in his account within five working days. And it said that the value of investments can go up as well as down.

Mr B has said that he logged into his Phoenix Life online account the same day. And that, because his investments were still showing as invested in the same funds as previously and the fund value had now increased to just over £214,246 from that set out above, that's the amount he now expected to achieve.

On 21 October 2024 though, Mr B received the new plan documents from Phoenix Life, which said that the '*Value on 15 October 2024*' was just over £212,723 of which just over £53,180 had been taken as tax free cash and the remaining amount of just over £159,542 had been reinvested via this on the same date.

Mr B has said he called Phoenix Life to query why the value was based on 15 October 2024, rather than 19 October 2024. And that he kept being told, amongst other things, that this was because the values can go up or down, which didn't answer his query.

So Mr B complained to Phoenix Life that he shouldn't have received the lower value given the process completed on 19 October 2024. Mr B has said that he was told value he'd achieve may differ depending on how his fund value moved while processing his transaction and this is the date that Phoenix Life told him that his request had been processed and was now complete. And his online account that day showed that he was still invested in his previous funds on this date, which had increased in value.

In response, at the end of October 2024, Phoenix Life told Mr B, in summary, that his request made on 12 October 2024 was processed by it with a termination date of Monday 14 October 2024, being the first business day it would do so given it was made on a Saturday, which was a non-business day. It said that its process had been correctly followed and his request handled within its service level agreement timescales.

Unhappy with this, Mr B referred his complaint to our Service the following month. He said that in resolution of his complaint he'd like the difference in value that he has lost out on.

While Phoenix Life didn't agree to that, it said it hadn't explained clearly enough to Mr B why the transaction had been carried out correctly when it had the opportunity to. And that during its initial call with Mr B it told him that the value would continue to change until the money was paid into his bank account, which might have caused him to think this would be calculated at the point it physically processed the transaction. So it offered Mr B £250 compensation for any confusion or misunderstanding caused as result.

Mr B didn't accept Phoenix Life's offer, so one of our Investigators reviewed his complaint. And she explained, in summary, in writing and over the phone to Mr B, that:

- While Mr B's request was physically processed by Phoenix Life on 19 October 2025, it treated this as having been received on Monday 14 October 2024, being the next working day after it received the request given it was made on a Saturday and because it had all its requirements to do so. The value was therefore calculated as at close of business on 14 October 2024, using prices displayed the next working day.
- In her experience, a pension provider will lock in the price on the day it has all its requirements, even if the date it is able to physically process the request is later, as in Mr B's case. This is to treat customers fairly in respect of the value, so that they aren't disadvantaged by the provider's processing times. And locking in the price when it does, as per its process, means that price is applied regardless of whether the value then goes up or down in the meantime.
- When Mr B's original plan was closed the remaining fund of £159,542 was reinvested via his new plan the same day, on 15 October 2024. So his fund has always been exposed to fund performance, with the value having increased to just over £160,143 by 19 October 2024.
- While it seems Mr B thinks Phoenix Life's process should be different, we can't interfere with this – a business' processes are a matter for the regulator, the Financial Conduct Authority. We can only consider whether Phoenix Life has followed these correctly and acted fairly and reasonably in the circumstances.
- If the business made an error then we look to put the customer back in the position they should have been in if not for this. But, in Mr B's case, Phoenix Life followed its process correctly in the way we'd expect. And having asked Mr B whether he would have acted differently if he'd been given clearer information about its process at times, she didn't think it would be fair and reasonable in the circumstances to ask Phoenix Life to pay him the difference in pension value.
- Phoenix Life should, however, have provided Mr B with better customer service and explanations at times and its offer of £250 compensation to make up for this is fair

and reasonable in the circumstances.

Mr B didn't agree and asked for an Ombudsman to consider his complaint. He added, in summary, that:

- As his request was made on a weekend, he understands Phoenix Life's receipt of his request was on the Monday. But Phoenix Life had told him it could take longer than normal for it to deal with this and that's what he expected, so he feels it dealt with his request too quickly. And that the value should be based on how long Phoenix Life took to process his request i.e. it should be based on the date this was finalised on 19 October 2024, rather than being locked in on the day it had all its requirements.
- He doesn't know why the increased value for his original pension was still showing online for him several days later.

Because no agreement could be 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.

Having done so, while I recognise this will be disappointing for Mr B, I think Phoenix Life's offer is fair and reasonable in the circumstances and I'm not asking it to do anything more, for the reasons given below, which are largely the same as those given by our Investigator.

In deciding this complaint I've taken into account the law, any relevant regulatory rules including the principles and good industry practice at the time.

While I've carefully considered the entirety of the submissions the parties have provided, my decision focuses on what I consider to be the central issues. The purpose of my decision isn't to comment on every point or question made, rather it's to set out my decision and reasons for reaching it.

Where the evidence is unclear, or there are conflicts, I've made my decision based on the balance of probabilities. In other words I've looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

And I think it is useful at this point to explain that I'm not able to require a business to change its processes, though I can consider whether a process has been appropriately followed in the circumstances. And should I decide that something has gone wrong then I'd ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

Phoenix Life has said that if it has everything it needs then the date it receives a request is the date that is used to calculate the value. But that if it receives such a request on a non-working day, as in Mr B's case, then it treats this as having been received the next working day. And values are calculated at the close of business on that working day, using prices which are displayed the next working day. It has said that this is its process, regardless of the date on which it then physically processes the transaction.

In Mr B's case I can see this meant that, while Phoenix Life didn't physically process his transaction until 19 October 2024, because his request was made on Saturday 12 October 2024 and it felt it had everything it needed, it treated his request as having been received the

next working day, on Monday 14 October 2024. And that it calculated the value for this as at close of business that day, but using prices displayed on 15 October 2024.

In which case, while I understand Mr B feels that Phoenix Life should do things differently and that he should have achieved the higher value as of 19 October 2024, I think Phoenix Life has appropriately followed its process in respect of Mr B's request. And it follows that I therefore think that Mr B has achieved the value he was entitled to.

I do appreciate though that Mr B had been told, for example, that the value could change until this was paid into his bank account. And that on 19 October 2024 when he received confirmation that his request was now complete, he also saw that his original pension was still reflected on his online account which showed as having increased in value since his request. So, while Phoenix Life has explained to us that its online system hadn't yet fully updated at that time to show Mr B's new plan details, I can understand why he might have thought he'd achieved that increased value and why he's now disappointed to find out otherwise.

That doesn't mean that I think it's fair and reasonable in the circumstances for me to ask Phoenix Life to pay Mr B the difference in value though. And to be clear, I don't, for the reasons set out above and because, when we've asked Mr B if he'd have done anything differently if Phoenix Life had given him clearer information about its process at the outset, he hasn't suggested in response that he would have, only that he thinks it dealt with his request too quickly.

And, in any case, on balance, I don't think Mr B is likely to have acted any differently. I say this because at the time Mr B made his request on 12 October 2024 he was happy to go ahead and was seemingly eager to do so as quickly as possible – despite having later felt that Phoenix Life dealt with his request too quickly – based on the illustrative value displayed to him at that time, albeit knowing this wasn't guaranteed. So I don't think Mr B being given clearer information about Phoenix Life's process during the initial call he had with it, for example, would have impacted on when he submitted his request.

I think that the £250 in compensation Phoenix Life has offered Mr B is a fair and reasonable amount in the circumstances. I think this makes up for the disappointment and frustration I think he has likely experienced as a result Phoenix Life not having given him clearer information about its process at times when it could have. As well as for the customer service Mr B received in subsequent calls with it, where Phoenix Life has recognised it could have more clearly explained why the transaction was correctly carried out.

For the reasons I've given, I'm not asking Phoenix Life to do anything more than this.

My final decision

Phoenix Life Limited has already made an offer to pay £250 in compensation to settle Mr B's complaint and I think this offer is fair in all the circumstances.

So my decision is that Phoenix Life Limited should pay Mr B £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 15 August 2025.

Holly Jackson
Ombudsman