DRN-5422076

The complaint

Ms W complains that Aviva Life & Pensions UK Limited (Aviva) provided her with poor service after 17 May 2024.

What happened

Ms W held three personal pension plans with Aviva.

In the first part of 2024, Ms W made a number of complaints to Aviva relating to its communication with her and the service it provided. Aviva initially responded to those complaints on 21 April 2024. It offered her £50 for the distress and inconvenience caused by the poor service.

Ms W didn't think that Aviva's complaint response of 21 April 2024 had addressed all of her issues.

I understand that on 28 April 2024, Ms W transferred her pension funds from Aviva to an annuity provider and that she purchased an annuity. I also understand that Aviva accepted responsibility for delaying that transfer, leading to a delay to Ms W receiving her annuity. It said that but for the delays it'd caused, Ms W's annuity provider would've received her funds on 2 April 2024.

Aviva replied to Ms W on 14 May 2024. It apologised for its late reply to her follow up and for missing some of her complaint points.

Aviva reopened Ms W's complaint and spoke with her on 17 May 2024. It said it would assess the financial loss the delays it was responsible for had caused. It also offered Ms W £250 compensation for the distress and inconvenience caused by the delays. Ms W said that Aviva told her it would work with her annuity provider to put things right. And that it would send her a copy of the letter it would send to that provider on 20 May 2024.

Aviva wrote to the annuity provider on 21 May 2024 to ask it to confirm if the delays had caused a financial loss. Ms W said she didn't receive a copy of that letter so she chased Aviva for an update.

Ms W said that on 31 May 2024, she received a copy of the chaser letter dated 28 May 2024 that Aviva had sent to the annuity provider. She sent Aviva an email on 31 May 2024 to ask it to keep her updated.

Ms W said she chased Aviva for an update on 7 June 2024. And that she received a copy of Aviva's 4 June 2024 chaser letter on 9 June 2024. She felt this showed that she hadn't been copied into the chaser letters, despite her specific request for Aviva to do this.

As it hadn't heard from the annuity provider about the financial loss calculation, Aviva sent a third chaser letter to it on 11 June 2024. It told Ms W about this on 13 June 2024. It said that its process was now to close the complaint and wait for a response.

Aviva said that it could offer to pay Ms W the difference between what her fund would've been worth but for the delay and what had actually been transferred to her annuity provider. This was £100.49. Alternatively, it could wait for a response from her annuity provider. It also said that it'd already paid total compensation of £300 for the distress and inconvenience caused.

Ms W replied the same day to agree to the £100.49 one off payment. She noted that her pension funds should've been with her annuity provider on 2 April 2024, and that she would therefore have had the benefit of that money months ago. She asked Aviva to round up the amount offered to £200, an amount she'd agree to settle on.

Aviva replied to Ms W to say it couldn't settle her complaint in the manner it'd suggested. It explained that it still needed to carry out a financial loss calculation to ensure she was left in the correct position. Aviva said that that calculation would include compensation for any missed annuity payment.

On 25 June 2024, Ms W complained to Aviva about the wording of a letter she'd received in respect of an investment fund.

Ms W also raised a further complaint on 11 July 2024. The issues in this complaint are the ones Ms W has referred to this service. She said her complaint related solely to how Aviva had handled things since her conversation with it on 17 May 2024. Ms W made the following points:

- There'd been numerous delays and Aviva had provided inconsistent information since 17 May 2024. She said she'd had to chase it to find out what was happening. Ms W was unhappy that Aviva had made her an offer that it'd then had to retract as it was incorrect.

- Ms W said that the letter Aviva had sent her to try to clear things up hadn't helped. She felt that it'd stated that as Aviva couldn't get the information it needed for her annuity provider, it couldn't carry out the loss calculation. She felt that Aviva had stopped chasing her annuity provider and that there was no way for her to get the payment Aviva had admitted was due. As Aviva had caused the delays, she felt it should keep trying to get the information it needed for the loss calculation.

The complaint handler from Aviva who'd looked into Ms W's complaint wrote to her on 18 July 2024. He said he shouldn't have offered to settle the £100.49 difference in the transfer value in the manner that he had. He said he'd followed Aviva's internal processes when he'd sent the required four letters to the annuity provider. He said he still hadn't received a response. Aviva acknowledged this was frustrating for Ms W, but said it wasn't its process to continue to chase for a response, noting that its process followed the regulator's guidelines.

The complaint handler also apologised for not sending Ms W a weekly copy of the chaser letters. He said this wasn't Aviva's standard process, but that he should've done what he said he would do.

Also on 18 July 2024, Ms W received a complaint acknowledgement letter.

Aviva issued a final response letter on 25 July 2024 in response to Ms W's 25 June 2024 complaint. This response didn't cover the points Ms W had made in her 11 July 2024 letter to Aviva. Instead, it focused on her 25 June 2024 complaint.

On 9 August 2024, Ms W's annuity provider wrote to Aviva. It said that if it'd received Ms W's funds on 2 April 2024, she would now be receiving a lower income than she was actually receiving. So the delay had led to a higher annuity being paid.

Ms W's annuity provider said that she'd received her first proportional payment of £2.51 gross on 1 May 2024 for the period from 29 April 2024 to 30 April 2024.But she would've received a first proportional payment of £35.88 gross on 1 May 2024 for the period 2 April 2024 to 30 April 2024, but for Aviva's delays.

Aviva then decided to reopen Ms W's complaint to make the financial loss payment. This would be the £33.37 lost proportional first annuity payment plus interest.

Aviva issued a further final response letter on 12 August 2024 in respect of the financial loss caused by its delays. It said it'd added 58p late interest to the £33.77 calculated. And that it'd made a payment to Ms W for £34.35 to cover the assessed financial loss.

On 13 August 2024, Ms W said she accepted the final response connected to her 25 June 2024 complaint. But she wanted an update on her other complaint.

As she hadn't heard anything further from Aviva, Ms W brought her complaint to this service on 19 November 2024. She said she'd made the complaint she was bringing to this service to Aviva on 11 July 2024. But she hadn't heard anything.

Ms W confirmed to this service on 8 January 2025 that her complaint was about the extremely poor service she'd received from Aviva on transferring a pension with it to an annuity provider.

Ms W chased Aviva for a response to her 11 July 2024 complaint on 17 January 2025.

Aviva replied the same day to say it'd sent her a response on 25 July 2024. What it didn't realise at this time was that the 25 July 2024 response had failed to consider the points Ms W had raised in her 11 July 2024 complaint. Aviva also confirmed to this service on 20 January 2025 that the complaint was connected to a different complaint to the one Ms W had actually referred to this service.

Ms W told Aviva on 28 January 2025 that she thought her 11 July 2024 complaint hadn't been recorded correctly, if at all. Therefore she felt Aviva had yet to address her complaint email of 11 July 2024. She said she still hadn't received a formal response.

Ms W said while she had received a copy of the loss calculation, she hadn't had a reply on the servicing/delay issues. She felt this was a new complaint that Aviva had failed to address.

On 31 January 2025, Aviva replied to Ms W. It apologised that she'd had to contact it again, and for the delay in the response to the complaint points she'd raised on 11 July 2024.

Aviva said it'd addressed the financial loss calculations issue on 12 August 2024 and paid Ms W the loss of £33.77 plus interest.

Aviva said it'd paid Ms W £50 for her initial complaint, then a further £250 following a more detailed review. It accepted it'd made an error when it'd offered to settle the difference in the shortfall in the transfer value. And that it'd failed to consider the points Ms W had made around the servicing elements surrounding the transfer when it'd responded to her 25 June 2024 complaint. It said it should've addressed the 11 July 2024 complaint points at the time.

Aviva offered to pay Ms W a further £100 compensation for making her an incorrect financial redress offer and for the failure to copy her in on its letters to her annuity provider.

Ms W replied to Aviva on 1 February 2025. She felt the total compensation of £300 had covered the many issues relating to the transfer of her funds to her annuity provider. She felt that compensation could only relate to the multiple errors up to and including that point, not what went on to happen.

Ms W said she didn't know then that more mistakes and lack of communication would follow over the coming months. She said this was why she'd made a new complaint on 11 July 2024 to cover what'd happened after 17 May 2024.

Ms W said she'd received no response when she'd contacted Aviva to ask if for a copy of the loss calculation and for an update on progress on her 11 July 2024 complaint. She also said she'd had no response when she initially couldn't open an attachment Aviva had sent her, although she'd subsequently been able to open it unaided. She felt Aviva had taken from July 2024 to February 2025 to deal with her complaint. She felt Aviva wouldn't have considered that complaint at all without her chasing for a response.

Ms W felt that the £100 Aviva had now offered her covered its incorrect offer. But she didn't think it considered the poor service she'd received after sending her 11 July 2024 complaint email, the time it'd taken her to get a response and the confusion caused.

Aviva considered Ms W's points. But felt that the additional £100 it'd offered her was fair, and in line with this service's guidelines. It said it would pay the £100 directly to Ms W's bank account, noting that this didn't remove her rights to this service.

Our investigator didn't think that Aviva needed to take further steps to put things right. She was satisfied that Aviva had put Ms W back into the correct financial position. And felt that the compensation it'd paid Ms W for the distress and inconvenience it'd caused her was fair.

Ms W didn't think our investigator had addressed her complaint. She said the complaint she'd brought to this service was the one she'd sent to Aviva of 11 July 2024.

Our investigator felt that Aviva had addressed Ms W's concerns from the 11 July 2024 complaint to date. And that it'd offered adequate compensation.

Ms W told this service that Aviva had never sent her the final response letter it'd promised to send about its final £100 offer. She said while her annuity had now been sorted out, there'd been a prolonged period of time where she suffered anxiety because she couldn't get the answers she wanted.

As agreement couldn't be reached, the complaint has come to me for a review.

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, I'm not going to ask Aviva to take any further steps to put things right. I know this will be disappointing for Ms W. I'll explain the reasons for my decision.

Before I start, I understand why Ms W doesn't consider that our investigator considered the complaint she referred to this service. I say this because I can see that our investigator spent some time considering other complaints Ms W had raised with Aviva, which weren't directly relevant to the complaint she'd brought to this service.

However, I can also see that our investigator considered all of the information provided. This included all events from 17 May 2024 and Aviva's final additional compensation offer. I'm therefore issuing a final decision here, rather than a provisional one, as I'm satisfied that our investigator did consider the complaint Ms W brought to this service.

It's not in dispute that Aviva caused delays to Ms W's transfer which led to her purchasing her annuity later than she should have. I'm pleased to see that the delay led to Ms W receiving a higher annuity than she would have but for the delays. I'm also pleased to see that Aviva has fairly compensated Ms W for the delayed start to her annuity payments.

What remains outstanding here is the question of whether Aviva has paid Ms W sufficient distress and inconvenience compensation for the delays and for the poor service she received during the period when it was trying to establish the financial loss.

Aviva feels it's paid Ms W sufficient compensation for the poor service both before and after 17 May 2024. Ms W doesn't think that Aviva has compensated her adequately for the poor service she received after 17 May 2024.

I first considered Aviva's response to the 11 July 2024 complaint.

11 July 2024 complaint

The complaint handler who'd dealt with some of Ms W's earlier complaints replied to her 11 July 2024 complaint on 18 July 2024. He responded to her point that she'd been unhappy that he'd made her an offer he'd then had to retract. He said he shouldn't have offered to settle in the way he'd outlined, noting that the right thing to do was to carry out the financial loss assessment once Aviva had received the information it needed from Ms W's annuity provider.

The complaint handler also responded to Ms W's point about Aviva's failure to get the information it needed for her annuity provider. He explained that he'd followed Aviva's internal processes when he'd sent the chaser letters, but hadn't received a response. He also explained that it wasn't Aviva's process to continue to chase for a response.

The complaint handler also apologised for not keeping Ms W up to date in the way he'd said he would.

Overall, I'm satisfied that although this letter wasn't issued as a formal final response letter, it covered all of Ms W's complaint points. I'm also satisfied that it explained that Aviva had and was following its usual process when trying to establish the any financial loss. Therefore I can't reasonably agree with Ms W that she'd received no response to her 11 July 2024 complaint. But I can see that she didn't receive the formal response she expected. And that the complaint handler's response didn't offer her any additional compensation for any of the points raised.

I next considered whether the compensation Aviva has offered Ms W for the distress and inconvenience its poor service has caused her is fair.

Distress and inconvenience

Ms W said that the £300 Aviva had paid her in respect of her delay/service complaints before 17 May 2023 was fair for what'd happened up to that point. But she felt she hadn't been fairly compensated for the service she'd received after that date.

Aviva went on to offer Ms W a further £100 for making an incorrect financial redress offer and for its failure to copy her in on its letters to her annuity provider.

Ms W said the additional £100 didn't cover the following poor service:

- she'd received no response when she'd asked Aviva for a copy of the loss calculation and for an update on the progress on her 11 July 2024 complaint.
- she'd had no response when she initially couldn't open an attachment Aviva had sent her.
- The time it'd taken Aviva (from July 2024 to February 2025) to deal with her complaint. And the fact that she didn't think Aviva would've considered that complaint at all without her chasing for a response.
- Ms W told this service that Aviva had never sent her the final response letter it'd promised to send about its final £100 offer.

I can see that Aviva didn't formally address the 11 July 2024 complaint at the time it was raised. But I'm still satisfied that it promptly addressed the issues raised. I say this because the complaint handler Ms W had previously dealt with responded to her complaint points on 18 July 2024, one week after she'd raised the issues. Therefore I can't reasonably agree with Ms W that Aviva didn't respond to her 11 July 2024 complaint. And I don't agree that it wouldn't have considered her points raised unless she'd chased it.

In terms of the time it took Aviva to respond to Ms W's 11 July 2024 complaint, I understand why Ms W thinks this is seven months, but I don't agree. While it did take Aviva seven months to increase its compensation offer for the poor service she'd detailed in her 11 July 2024 complaint, it'd already responded to her points and apologised on 18 July 2024.

The evidence shows that Ms W repeatedly raised complaints over issues that may or may not have been linked to other issues she'd already complained about. I think that the reason Aviva didn't formally consider her 11 July 2024 complaint when it responded to her 25 June 2024 complaint was connected to the confusion her successive complaints caused.

I'm pleased to see that Ms W was, in the end, able to open the attachment Aviva sent to her without its help.

When considering the remaining specific service points Ms W thinks Aviva failed to consider when making its £100 offer, these are one occasion when it failed to respond to a request for a copy document and Aviva's failure to issue the formal final response letter it'd said it would send.

I'm not persuaded that these two points warrant the payment of additional compensation from Aviva. I say this because I can see that Ms W does now have a copy of the loss calculation and because I'm not persuaded that the fact that Aviva failed to send Ms W a final response letter to confirm what it'd already said would've had a material impact on the situation.

Fundamentally Ms W's complaint is about the delay and the poor service she received in sorting out the consequences of that delay. While Ms W sees this as more than one complaint, before and after 17 May 2024, this service would more usually consider the complaint as a whole.

While I don't doubt that this situation has been stressful and time consuming for Ms W, when I consider the complaint as a whole, I'm satisfied that the £400 Aviva has paid her for the distress and inconvenience its caused her is fair. Therefore I don't require it to take any further action and I don't uphold the complaint.

My final decision

For the reasons explained above, I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 19 August 2025.

Jo Occleshaw
Ombudsman