

The complaint

Mr Q's complained – in his capacity as representative of the executor of the late Mr W's estate – that Scottish Widows Limited can't confirm how they dealt with three life insurance policies Mr W bought many years ago.

What happened

Mr W bought three life insurance policies from Scottish Widows between 1956 and 1962 for sums assured of between £100 and £500. Mr W subsequently married Mrs W.

Mr W died in 2015. Mrs W died in 2022. Mr Q is one of her executors. When going through papers at their home, Mr Q came across the policies. So he contacted Scottish Widows to see if they'd been dealt with, or whether any proceeds were due to Mrs W's estate.

Scottish Widows didn't reply to Mr Q until he chased them by email and then by phone. They told Mr Q they'd couldn't find any records of the policies. So Mr Q complained.

In response, Scottish Widows explained they'd searched their systems using the information he'd provided but hadn't located any policies. They noted that two policies had lapsed in the late 1960s and said that, had they still been open, they would have been on their system. And they explained they'd migrated their data to a new system but didn't transfer information relating to closed accounts. But they offered to search again if Mr Q could provide any more up to date information.

Scottish Widows did accept they'd not responded promptly to Mr Q's enquiry and paid him £50 compensation for that.

Mr Q didn't think Scottish Widows had resolved the estate's complaint and brought it to the Financial Ombudsman Service. He did this initially as the executor of Mrs W's estate. But, after an ombudsman confirming the eligible complainant here is Mr W's estate, Mr Q has represented the other executor named in Mr W's will in dealing with our service.

Once jurisdiction had been clarified, our investigator considered the merits of the complaint and concluded Scottish Widows didn't need to do any more to resolve it. She was satisfied that they'd carried out a thorough search of their systems and said that the fact that no record could be found meant it was most likely that the policies had been settled or had lapsed many years earlier.

Mr Q didn't agree with the investigator's view and said he'd expect Scottish Widows to be able to say what had happened to the policies. The matter's now been passed to me to make 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 that, I'm not upholding the estate's complaint. I'll explain why.

I understand why Mr Q's frustrated. He's trying to fulfil his obligations as Mrs W's executor and he's identified a potential asset of her estate. But I have to decide whether it's fair and reasonable to say Scottish Widows have done something wrong here. Only if I decide they have can I direct them to put things right.

In cases like this, we expect insurers to use the information a customer – or, more often, a relative or executor – can provide to search their databases to trace any active policies in the customer's name. Scottish Widows have provided screenshots of those searches, which they say they did multiple times. They show no records were found for Mr W.

Scottish Widows say it's most likely that's because the policies were closed many years ago and that the time for which they keep closed records has passed. I think that's a reasonable assumption, given that the most recent documents available about any of the policies dates from the late 1960s.

I appreciate from Mr Q's comments that he believes Scottish Widows should retain information dating back that far, but I can't agree that's reasonable, for two reasons. Firstly, storing that information indefinitely – either physically or digitally – would require businesses to maintain ever growing archives. Scottish Widows have confirmed that one of the ways they manage this is that they didn't migrate data on closed products when they updated their system.

And, secondly, all businesses have obligations under data protection legislation not to retain personal information for which they have no legitimate need. Scottish Widows have indicated that information is purged when accounts have been closed for a certain number of years. I think that's reasonable.

I note Scottish Widows paid Mr Q £50 compensation for not dealing with his enquiries promptly. We can only direct a business to pay compensation to an eligible complainant – which in this case is the estate. So I'm not going to comment further on the payment Mr Q's received.

Finally, I note that Scottish Widows have said they'll search their records again if Mr Q can provide them with any more up to date information or alternative policy numbers. That's what I'd expect them to do. But, for the reasons I've explained, I don't think they need to do any more to resolve the estate's complaint.

My final decision

For the reasons I've explained, I'm not upholding the complaint about Scottish Widows Limited made by Mr Q in his capacity as representative of the executor of the late Mr W's estate.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr W to accept or reject my decision before 23 July 2025.

Helen Stacey
Ombudsman