

## The complaint

Mr J complains Aviva Life & Pensions UK Limited has delayed paying him funds from his investment portfolio. He says the delays prevented him reinvesting the money in premium bonds as he intended, and he has lost out on potential winnings as a result.

## What happened

On 5 March 2024, Mr J made a request via his financial adviser for a £50,000 withdrawal from his portfolio.

Aviva attempted to action the request, but the funds weren't available immediately because dividend payments, which were due to be received were set to reinvest in the fund. The sale instruction could only proceed once all the dividends were re-invested.

On 27 March 2024, Mr J's adviser called Aviva to attempt to gain access to the money pre-fund. But the inquiries made didn't result in the funds being made available.

The trade settled eventually on 28 March 2024, and on the 2 April 2024, the funds were paid to Mr J by bank transfer.

Following this Mr J's financial adviser raised a complaint on his behalf with Aviva about the handling of the withdrawal request.

Aviva responded to the complaint. It offered to pay Mr J £100 for any inconvenience caused by its handling of the situation. But it didn't accept full responsibility and said the time taken was due to normal systems behaviour when dividend reinvestment causes delays.

Mr J decided to refer his complaint to this service for an independent review. One of our investigator's looked into the complaint. She didn't think it should be upheld. In summary, she said:

- She didn't see anything to suggest that Aviva is responsible for an unnecessary delay.
- The sale instruction made on 5 March 2024 was processed correctly and it only settled on 28 March 2024, once the outstanding dividend payments were re-invested. The charges were also taken correctly in line with the terms and conditions.
- Aviva told the adviser on 27 March 2024 that the withdrawal transaction would need to be keyed early on 28 March 2024 for the funds to possibly be available later that day. The adviser didn't key the instruction until the afternoon of 28 March 2024, so the funds were paid the next available working day, 2 April 2024.
- Once the adviser keyed the withdrawal instruction, Aviva processed that in a timely manner, in line with good industry practice. Therefore, it is not responsible for any consequential losses claimed.
- Aviva acknowledge that it did not call back the adviser on the morning on 28 March 2024 with an answer on the possibility of a pre-funding. Aviva has offered £100 compensation for any inconvenience caused. This offer is fair.

Mr J responded to say he did not agree with some of the findings and believes his request for further compensation is reasonable. He requested further investigation is completed around the calls that were held with his adviser on the 27 and 28 March 2024.

The investigator considered the points raised by Mr J and obtained further evidence from Aviva about the calls. But she didn't find reasons to change the outcome of the complaint. In summary she said:

- Aviva acknowledged that the call back on the morning of 28 March 2024 did not take place and for that reason, upheld this part of the complaint. However, the adviser was made aware on 27 March 2024 that the instruction would need to be keyed early on 28 March 2024 for Mr J to have a chance of receiving the money that day.
- As Aviva isn't responsible for Mr J not receiving the proceeds on 28 March 2024, it's not responsible for any consequential loss as a result of being unable to invest in premium bonds at an earlier opportunity.

Mr J remained unhappy and requested an ombudsman reaches a decision on his complaint. He maintains the funds available could have been transferred in a timely manner and not withheld over the long bank holiday. And said Aviva has clearly accepted the delay was caused when they failed to return the call. He believes it was to Aviva's advantage not to transfer the funds.

### **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.

The crux of this complaint relates to whether Aviva are responsible for delays that prevented Mr J receiving his funds before the end of March 2024. The process did take a while due to the portfolio dividend reinvestment and rebalancing, but settlement was progressing with completion looking likely at the end of the month. Mr J says he should have received his funds on 28 March 2024, and this would have allowed him to meet a deadline to reinvest the funds into premium bonds and him to be eligible for the next prize draw. But as he didn't receive the funds until 2 April 2004, he missed eligibility for the next prize draw. He says he has lost out because of this and claims the average monthly winnings for premium bonds as his loss.

The key issue that remains in dispute is around whether Aviva is at fault for avoidable delays at the time the trade settled. Mr J's adviser was in discussion with Aviva between 27 and 28 March 2024 in making attempts to get the funds in one payment to Mr J, so he received the full £50,000 he wanted. I'm not considering the conduct of the adviser, but I will refer to them for context. I'm only considering whether Aviva caused an avoidable delay that prevented Mr J from receiving his funds sooner than he should have.

Aviva's position is that it gave an informed Mr J's adviser that they would need to key the funds early on the 28 March, for there to be any possibility of the cash being available that day. This point was discussed during the 27 March call. But as the funds were only keyed later in the day, it wasn't possible to make them available to Mr J that day – and the next possible day it could send the funds was on the next working day – 2 April. Again, this was discussed as a potential outcome during the 27 March call because of the bank holidays that were upcoming.

Aviva has admitted that it failed to return a call to the adviser. This was regarding a pre-funding query that was being discussed. It called the adviser later in the day on the 27 March to discuss the matter, but the adviser was unavailable for the rest of the day, so it said it would call again on the next day. But this call wasn't made.

From what I've seen, Aviva agreed to come back with an answer to the pre-funding request made by the adviser. But it didn't manage to give this answer. I find it did make attempts to respond, but the unavailability of the adviser on 27 March when the second call was made that day was a factor in why this didn't happen, which I don't find Aviva at fault for. And it appears the events superseded the query as the trade settled on 28 March anyway. Unfortunately, the adviser was only able to key in the withdrawal in the afternoon of the 28 March but by then it was too late for the money to go to Mr J that day. The situation was made worse by the fact that there were two bank holidays and a weekend that followed, meaning the funds weren't made available to Mr J until 2 April.

Mr J's adviser says they were in a meeting that took up the whole of the morning on 28 March. So, it is arguable that even if Aviva had tried to call back regarding the pre-funding query, it wouldn't have been able to speak to the adviser anyway. I'm also conscious that the discussion with Mr J's adviser on 27 March, indicates that Aviva did explain the settlement was likely to happen the next day – and it doesn't appear to be in dispute that there was awareness of the requirement for the adviser to key the withdrawal. I acknowledge there were issues with the precise amount Mr J was due to receive and this is why the pre-funding request had been made. I'm satisfied Aviva did make it clear that this request would be considered – but no guarantees were given on whether it would be accepted. It does seem it was always going to be challenging for Mr J to receive all the funds he wanted on 28 March due to the processes involved.

In my view, there were an unfortunate set of circumstances that prevented the funds being available to Mr J on 28 March. And I don't think it is fair to find Aviva fully responsible for this delay. It did make attempts to call the adviser on 27 March – albeit unsuccessfully. In the end it seems the pre-funding wasn't required by Mr J. On balance, I don't think it would be fair and reasonable to say the failed call back in relation to the pre-funding query resulted in the losses Mr J claims for his failure to reinvest in premium bonds as he intended. So, I don't think Aviva need to cover the consequential losses Mr J claims.

But it has been accepted by Aviva that it made an error by not calling back the adviser, and this did have an impact on Mr J. Aviva has made an offer of compensation to Mr J to recognise any inconvenience caused and false expectations set. It agreed to pay him £100. In the circumstances, I find this does fairly compensate Mr J for what happened, and the impact of this error. So, I think it should pay him this amount.

### **My final decision**

I uphold this complaint in part.

Aviva Life & Pensions UK Limited has already made an offer to pay £100 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Aviva Life & Pensions UK Limited should pay Mr J £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 13 August 2025.

Daniel Little  
**Ombudsman**