

## The complaint

Mr D complains that Aviva Life & Pensions UK Limited ('Aviva') is unable to provide him with any information about his pension. Mr D says that without any information about his pension benefit entitlement he does not know if he has been financially disadvantaged or not.

## What happened

Between the years of 1978 and January 1986 Mr D was a member of his former employer's occupational pension scheme ('OPS'). It appears Mr D's OPS was managed by a company of managed pension plan trustees in collaboration with a life assurance company that was one of Aviva's predecessor firms that I shall call 'C'.

In or around 1986, the OPS was wound up by the trustees and the scheme's members (of which Mr D was one) had their scheme benefits secured by way of a 'corporate annuity' which the trustees had arranged to be provided by C. At that time, corporate annuities were a common method by which a pension provider was paid by the OPS in question to take over the liability from the trustees for providing the scheme members with the accrued benefits to which they were entitled under the scheme.

In February 1986 Mr D approached C and asked for an illustration of his benefits as he was thinking about transferring them to his new employer's OPS. Mr D ultimately decided not to proceed and his deferred corporate annuity remained with C.

During the course of the following thirty years or so, Mr D's deferred corporate annuity was held by five different pension providers – each company being either bought or taken over during the course of that period – before ultimately landing with Aviva in around 2015.

In or around July 2020, Mr D contacted Aviva to make some enquiries about his deferred corporate annuity. He was told it would pay him an annual pension of £693 from his normal retirement date ('NRD') of age 65 and that, should he want to transfer his benefits, that the cash equivalent transfer value ('CETV') was £28,373.

Around September 2021, Mr D contacted Aviva again to ask about the pension it administered for him. Aviva wrote to him and told him he was due an annuity of £693 at his NRD and the CETV was £28,978.

In May 2023, Aviva contacted Mr D to advise him that as he was approaching his 65<sup>th</sup> birthday he could access the pension benefits in a pension it administered for him. Aviva told Mr D that he would receive an annual pension (an annuity) of £693.00 from 2 December 2023 in relation to policy number D0281245.

In June 2023, following a further request for information from Mr D, Aviva wrote to him again to confirm policy number D0281245 was a deferred corporate annuity that had been set up in August 1993 from Mr D's old OPS. Aviva told Mr D, *"The scheme trustees determined the pension benefits were to be preserved for you at retirement... the annual pension payable from 2 December 2023 was determined at the outset of the policy. We can confirm that the*

*policy was set up to provide a defined amount ... £693".* Aviva told Mr D that the current CETV was £17,885.

Mr D asked Aviva if it could provide him with some more information about the pension. Aviva had access to only very limited information and so was largely unable to answer the questions Mr D was asking. During the course of a number of telephone calls and emails Aviva conveyed only that: -

- Mr D's OPS trustees had secured Mr D's pension benefits by setting up a policy on his behalf. They had taken his accrued pension benefits from the OPS and invested them in a 'corporate annuity'.
- The annuity payable was determined when the pension was first set up and the policy provides a guaranteed pension on a set basis.
- It could not find any documentary evidence in relation to the pension policy.
- Products such as Mr D's pension were mainly set up following the winding up of an OPS. Such transfers were commonplace; the corporate deferred annuity would be able to provide the same benefits that had accrued under the OPS whilst discharging the trustees from any further liability.
- C would have provided a quote to the scheme trustees advising them about the cost of providing equivalent benefits at retirement. An amount would have been agreed and then the pension policy offering equivalent benefits would have been set up.
- The benefits payable under the pension at retirement should cover the cost of the accrued benefits at the time of the transfer.

Given the length of time Mr D had been a member of his OPS, he was concerned that the annuity he was being offered by Aviva was too low. He was also unhappy that Aviva had been unable to provide him with any documentary evidence that could reassure him that the annuity it was offering him equated to his full OPS pension entitlement. So, in early 2024, Mr D raised a complaint with Aviva.

Aviva looked into Mr D's complaint and issued him with a final response letter dated 1 May 2024. Aviva said that despite carrying out a review of all the documentation it was unable to find any documents relating to Mr D's original OPS. It said that the OPS had been managed by trustees and had been transferred into Mr D's current policy as part of an agreement between the trustees and C. Aviva confirmed it had no information about the pension liability value that had been purchased for Mr D but it reassured him that the transfer did account for a complete and equivalent basis of benefits. Aviva also said that the annuity he would get from his plan at retirement should cover the benefits he had accrued under the OPS at the time of the transfer. Aviva apologised for the delays in answering Mr D's queries and paid him compensation of £140 for any distress and inconvenience this had caused him.

Mr D replied to Aviva to say that he felt Aviva's replies to his enquiries were unsatisfactory. Mr D asked Aviva some more questions and returned the £140 it had paid him. Mr D said he was going to take his complaint to the Financial Ombudsman Service. He also said that, at this point in time, it was inappropriate for him to select a benefits payment option for his pension.

Mr D then complained to the Financial Ombudsman Service. He said he didn't understand how on the one hand Aviva could seek to reassure him his pension policy was offering him complete and equivalent benefits to those accrued under his OPS, whilst on the other confirming that it had been unable to find any documentation or records relating to his transferred benefits. He said it was unreasonable of Aviva to expect him to just accept that the annuity it was now offering him was equivalent to his deferred OPS benefits.

One of our Investigators looked into Mr D's complaint for him, first considering – given the passage of time since the events complained about – whether this was a complaint that fell within the jurisdiction of the Financial Ombudsman Service. Having determined that it was, our Investigator then went on to consider the merits of Mr D's complaint concluding that his was not a complaint that she could recommend was upheld.

Our Investigator said that the Financial Ombudsman Service was unable to conduct an investigation into the transfer of Mr D's OPS or Aviva's subsequent administration of his pension thereafter. And she said that without any documentary evidence, she could not safely conclude whether the annuity Aviva had calculated for Mr D was fair and in line with his OPS benefits.

Mr D responded to our Investigator and said that he had successfully searched his home for any evidence he could find. He sent our Investigator the last 'Statement of Benefits' he received from C before he became a deferred member of the OPS. He also sent a 'Statement of Withdrawal benefits' (also from Aviva's predecessor, C) in response to an enquiry to transfer his benefits to his new employer's scheme which he subsequently abandoned. Mr D also provided copies of two pension handbooks. Mr D said this evidence showed the value of his guaranteed minimum pension ('GMP') entitlement at the time he left the OPS.

Our Investigator contacted Aviva, pointing out that the guaranteed pension on the statements was significantly higher than the annuity it had offered Mr D. Our Investigator asked Aviva to explain how it had calculated Mr D's annuity.

Aviva responded to say it appeared the documents provided by Mr D were for a different numbered policy to the one it had on its records. Aviva said the documents provided by Mr D were for a policy numbered FL058719/01446 whereas its policy (now numbered D0281245) was previously numbered FB079442/01446. It confirmed that both policy numbers were for policies that would have been with its predecessor firm at some point but it was unable to confirm what had happened to the policy numbered on Mr D's statements (FL058719/01446) although it was possible it had been transferred away.

Aviva also said that whilst both statements mentioned a GMP, there was no record of a GMP on the policy it held for Mr D. Aviva said that could be because the GMP element had been paid back to HMRC when the OPS was wound up (thereby effectively contracting Mr D back into the second state pension). Aviva said it had used HMRC's GMP checker service which had shown it had no GMP liability under the policy it had for Mr D. Aviva said that Mr D should perhaps contact HMRC himself to see if he could trace where this GMP liability sat. Further, Aviva said that in doing so, Mr D may uncover what had happened to the benefits mentioned on Mr D's statement.

The complaint was then passed to me and I issued a jurisdiction decision in February 2025 in which I explained why Mr D's complaint was one the Financial Ombudsman Service could consider.

The complaint was then returned to me in order to consider its merits. Prior to doing so, I asked our Investigator to contact the parties to request some additional information and comments. I asked our Investigator to ask Aviva: -

- Whether it held any other pensions for Mr D?
- Whether it could confirm that policy D0281245 was a successor/new number for policy FB079442/01446?
- To provide copies of all the correspondence between it and Mr D.

- Whether it had managed to restore the microfiche it had referenced (which presumably contained historic information about pensions such as Mr D's)?

Aviva responded on 20 March 2025 and said: -

- The only policy it had been able to locate for Mr D was D0281245.
- It could not confirm that policy D0281245 was the successor policy for FB079442/01446.
- It provided all the correspondence between it and Mr D that it possessed.
- It was contacting another colleague about the microfiche and would revert.

I asked our Investigator to ask Mr D: -

- If he could comment on the two different policy numbers recently referenced by Aviva.
- If he could contact HMRC to see if he could establish what had happened to his GMP benefits under policy FL058719/01446.
- If he could contact the Pension Tracing Service to see if he could obtain any information at all about either of the two policy numbers referenced by Aviva.

Mr D responded on 5 March 2025 and said: -

- He possessed no information at all as to how his OPS became Aviva Policy No. D0281245. He said the last 5 digits of both the policy numbers referenced by Aviva – namely 01446 – was his employee enrolment number at his old employer. It was his understanding that the trustees of his old OPS and C would not allow the same employee to have two separate pension plans running. He said whilst employed by his old employer, he had only ever been the member of the one OPS and only ever received benefit statements from C containing the policy reference FL058719/01446.
- His one and only OPS with his former employer - FL058719/01446 – was automatically withdrawn into a deferred annuity with C in February 1986 upon him leaving the company and gaining employment elsewhere.
- The documents he had provided from 1985 and 1986 in respect of his pension showed that his deferred pension would be paid from his NRD. Thus, it remained Aviva's responsibility (through its ultimate acquisition of C's liabilities) to provide him with his pension on the terms shown therein.
- Aviva had been unable to show any details or paperwork which showed how it had calculated the pension it had offered him. Mr D explained that he had done his own research which had revealed how C had been sold to another company in 2000, which had then been sold again, subsequently rebranded twice before being sold to Aviva in 2015.
- As C's policy numbered FL058719/01446 eventually transposed into the Aviva deferred corporate annuity numbered D0281245, he could only assume that in the process of getting there, given the number of other corporate entities that had been responsible for his pension in the interim, that there were other possible policy reference numbers during the course of the journey.
- It was Aviva who claimed policy D0281245 is actually C's policy numbered FB079442/01446. It is possible that policy FB079442 could have been mistakenly referenced to his employee enrolment number 01446 at some point and that it is, in fact, someone else's pension.
- It was possible that given the number of different of pension administrators responsible for Mr D's deferred corporate annuity over the years, errors may have been introduced into the policy which could account for its current apparent shortfall in benefits.

- He had only ever had one OPS with his former employer. He had never transferred funds either in or out of the scheme.
- HMRC told him that there were two GMPs in his name. The first for the OPS Aviva was now responsible for and for the dates 2 December 1980 to 31 January 1986. And the second in respect of his next employer from 3 February 1986 to 8 October 1993.
- HMRC had no references or records in relation to his first GMP.
- HMRC seemed to have incorrectly recorded the start date of his GMP; Mr D thought the start date should be the date his employment commenced which was 12 April 1978.
- HMRC said that in relation to Mr D, no contracted-out funds had ever been returned.

The complaint was passed to me and I issued a provisional decision in April 2025 in which I explained that I believed this was a complaint that should be upheld. I made the following provisional findings: -

*“Having considered all the issues in this case with great care, I have decided that I am minded to uphold it. I’ll explain why.*

*It is clear from what I have set out above that there are significant evidential shortcomings with this complaint. It has not escaped my knowledge that Aviva has been unable to provide any documentation in relation to the deferred corporate annuity it says Mr D is entitled to. For his part, Mr D has been able to provide some documentation pertaining to his OPS benefits from the period he was employed from 1978-1986. Given the documentation Mr D has, and the pension benefits it states he is entitled to as a member (now deferred), it is understandable that he has questioned how Aviva has calculated that his full annuity entitlement is just £693.*

*It is not in dispute that Mr D was an active member of his employer’s defined benefit OPS between April 1978 and when he left to change jobs on 31 January 1986. It is also not in dispute that the OPS was wound up and transferred into a deferred corporate annuity administered by C. Aviva accepts that it has ultimately inherited liability for the deferred corporate annuity from C. And, as Aviva states, this type of scheme is there to provide equivalent benefits to those offered under the OPS. I can see Aviva has further told Mr D that the “transfer did account for a complete and equivalent basis of benefits and that the benefits payable at retirement **should cover the accrued benefits at the time of the transfer**” [my emphasis].*

*Mr D had over eight and a half years of service in his OPS. The statement of benefits from June 1985 that Mr D has provided – and which our Investigator forwarded to Aviva for comment – shows the pension benefits he had accrued. These were an annual pension of £5,273 or a lump sum of £20,594 and a reduced annual pension of £3,089. Even before any revaluation is undertaken, the annuity of £5,273 is significantly greater than the £693 per year which Aviva has offered Mr D some 40 or so years later.*

*Both Mr D and this Service have repeatedly asked Aviva to provide documentation pertaining both to the OPS/deferred corporate annuity and to how it calculated that an annuity of £693 covered all Mr D’s accrued benefits from the time of the transfer. Aviva says however, that after fully reviewing all its documentation it had been unable to find any documentation relating to his OPS. It is unclear to me how Aviva can claim on the one hand to have simultaneously reviewed documentation whilst on the other claiming it, in fact, possesses no documentation. Nevertheless, I am satisfied that it has been given every opportunity to demonstrate to Mr D that the annuity it is offering him is truly all he is entitled to as a deferred member of his former OPS with over eight and a half years’ service.*

*As I have said above, Aviva accepts it has liability for the OPS and that the transfer to C was on a full and equivalent basis of benefits to which the scheme members are entitled. Whilst Aviva has no documentation regarding those benefits, Mr D does. However, it appears to me that Aviva is unwilling to accept the documents provided by Mr D pertain to its liability. Thus, it therefore falls to me to decide, on the balance of probabilities, what has likely happened here.*

*I've set out above the reasons why Aviva believes its offer of an annuity of £693 amounts to a complete and equivalent basis of Mr D's deferred benefits, and why it believes the liability it has is unrelated to the benefits on Mr D's contemporaneous documentation. I'll consider each of the reasons it has put forward in turn.*

*Firstly, Aviva says the historical policy number (FB079442/01446) it has for Mr D's plan is different from the one on Mr D's documentation. Consequently, Aviva maintains that there are two different policies and it has discharged its obligations under the historical policy reference number that it has.*

*Aviva has produced no documentary evidence to explain where it obtained historical policy number FB079442/01446. But on closer inspection of the 'Statement of Withdrawal Benefits' provided by C to Mr D in February 1986 (at the point he considered transferring his deferred OPS to his new employer's OPS – an idea he subsequently abandoned) it can be seen at the bottom of page 1 that (presumably) Mr D has (at some point) written C's telephone number, as well as the telephone number of the relevant 'corporate pensions' department, next to which he has written 'Policy No. FB079442/01446'.*

*Like Mr D, I can see that between C and Aviva there were three or four other corporate entities that administered Mr D's deferred corporate annuity. Just as Aviva has ultimately done, it is not unreasonable to assume therefore, that one or more of these entities applied their own policy reference number to Mr D's policy and thus the historical policy number to which Aviva now refers is merely an interim iteration of Mr D's original policy. That Mr D has, at some point, written the same historical policy reference number – FB079442/01446 – on his OPS paperwork implies that he too must have been made aware that the reference number for his plan had changed at some point in time.*

*Mr D has further explained that his employee number for this employer was 01446. He has also explained that he was only ever a member of one OPS during his years of service with that employer. It is unlikely therefore that he had more than two OPS schemes into which he was making simultaneous payments as suggested by Aviva.*

*The use of the same employee number within both references is, at the very least, strongly suggestive that plans FL058719/01446 and FB079442/01446 are one and the same and that this is the policy that has ultimately been re-referenced by Aviva as D0281245. This is further reinforced by the annotation at the foot of C's 1986 'Statement of Withdrawal Benefits'. For these reasons I think that it is more likely than not that references FB079442/01446 and D0281245 are successor policy reference numbers for C's policy reference FL058719/01446.*

*That being the case, as the transfer of Mr D's deferred benefits in 1986 was made on a complete and equivalent basis to the benefits payable to him at retirement under his OPS, then the corporate deferred annuity for which Aviva is now liable should cover Mr D's accrued benefits in full.*

*Secondly, there is no evidence that I have seen to show that FL058719/01446 was transferred away. And if it had been, I fail to understand from where policy D0281245 is supposed to have emanated.*

*Thirdly, HMRC has now clarified the position in respect of Mr D's GMP entitlement under this OPS/deferred corporate annuity.*

*Ultimately here Aviva has bought a book of pension business from another firm and along with that book came liability. Mr D has provided evidence to show he was a member of his employer's OPS, what his length of service was, that part of his pension included a GMP and that his benefits were eventually transferred to a deferred corporate annuity. I fully appreciate that the transfer occurred decades ago and that there have been numerous corporate entities responsible for Mr D's deferred benefits in the interim. But he remains entitled to the benefits he accrued under the OPS and Aviva, despite the passage of time, is now the corporate entity responsible for providing him with his full entitlement. And Aviva has said that the benefits due to Mr D at retirement should cover the benefits he had accrued at the time of the transfer of his OPS to the corporate annuity with C. That being the case, I think that Aviva needs to discharge its obligation to Mr D in this respect.*

*Mr D never asked for his deferred scheme benefits to be moved between so many providers but that is what has happened. And whilst I have given due consideration to the objections put forward by Aviva for why pension policy D0281245 isn't actually a successor policy for the original deferred corporate annuity provided by C, for the reasons I have given here, I think that, on balance, that can't be the case. I think it is more likely than not that policy D0281245 is a successor policy to FL058719/01446. Whilst Aviva clearly has no documentation whatsoever relating to its liability to Mr D that is not the fault of Mr D. He has provided evidence relating to his benefits and, in the absence of any evidence to the contrary, I think they were transferred to C and have ultimately ended up residing with Aviva. It is Aviva's obligation to pay Mr D the benefits he accrued under his OPS and which were transferred on a complete and equivalent basis to C. Aviva is the ultimate inheritor of C's liability to Mr D."*

I went on to explain how I expected Aviva to put things right for Mr D both in terms of making sure he receives his full OPS/corporate annuity benefits and how it should compensate him for the trouble and upset it had caused him.

Mr D replied to say he accepted my provisional decision and had nothing further to add.

Aviva did not reply.

The complaint has been returned to me to issue a 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.

As Mr D accepted my provisional decision and given that Aviva has provided no further comment there are no further findings for me to make here. It follows that my provisional findings now form part of this, my final decision. Aviva should take the steps I have set out below to put things right for Mr D.

### **Putting things right**

Aviva has put Mr D to some significant trouble and upset in relation to his enquiries about his entitlement to his OPS/corporate annuity benefits. Mr D has been put to extra effort, over a considerable period of time, in an attempt to ascertain some form of clarity about the basis for the calculation of his annuity. His attempts have been frustrated and elusory. In response to Mr D's reasonable information requests, Aviva's communications have, on occasion, been muddled and misleading, and have meant that Mr D has been put to further inconvenience in the pursuit of answers to his questions. He remains no clearer about how the annuity of £693 he has been offered by Aviva has been worked out or why Aviva has not accepted liability for his corporate annuity entitlement. Furthermore, Mr D was entitled to receive his complete and equivalent OPS/corporate annuity benefits from December 2023 but remains without them. The delay in receipt of his full OPS benefits under his OPS scheme will have impacted Mr D's retirement enjoyment.

Where a financial business, through its words or deeds causes avoidable distress or inconvenience to a consumer, the Financial Ombudsman Service can require it to pay compensation. I don't think that Aviva has treated Mr D fairly and I think its dealings with him have fallen short of the standard he could reasonably have expected in the circumstances. And I think the significant delay he has experienced in receiving his complete and equivalent OPS pension benefits will have had an impact on his ability to fully enjoy his retirement. For this avoidable trouble and inconvenience caused to Mr D by Aviva, I think it should pay him compensation of £750.

Whilst I can see that Aviva has offered Mr D £140, I also understand that he declined it and returned Aviva's cheque. So, my compensation award is based on the understanding that, to date, Aviva has paid no compensation to Mr D in respect of his complaint.

With assistance the scheme documents that Mr D has provided, and which were forwarded to Aviva by our Investigator on 13 November 2024, Aviva should now calculate what Mr D's complete and equivalent OPS entitlement is. It should then: -

- Calculate and pay Mr D the annuity he has been entitled to under his OPS/corporate annuity since his NRD.
- Interest should be added to each monthly annuity payment to which Mr D has been entitled since his NRD at the rate of 8% simple per annum from the date each payment was due to him to the date Aviva settles my award.
- Should Mr D elect to commute any of his OPS/corporate annuity pension benefits to a pension commencement lump sum then Aviva should pay this to him to which it should add simple interest at 8% per annum from the date of Mr D's NRD to the date it settles my award.
- Pay Mr D compensation of £750 for the distress and inconvenience caused to him by its handling of his enquiries.

### **My final decision**

My final decision is that I uphold this complaint and require Aviva Life & Pensions UK Limited to take the steps I have set out in the '*Putting Things Right*' section above. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 12 June 2025.

Claire Woollerson  
**Ombudsman**