DRN-5610467

The complaint

Mr S complains that Scottish Widows Limited failed to complete the transfer of his pension savings to another provider in a timely manner.

What happened

Mr S held pension savings with Scottish Widows. In July 2024 Mr S contacted Scottish Widows to enquire about transferring his pension savings to a Qualifying Recognised Overseas Pension Scheme ("QROPS"). Scottish Widows provided the necessary paperwork to Mr S three days later.

On 3 September the QROPS provider sent some information to Scottish Widows by email. But it used a historic email address that was no longer being monitored so no action was taken on that email. Following an enquiry from Mr S, the QROPS provider resent the documentation to the correct email address on 25 September.

Mr S raised a complaint about the delays on 27 September. Between 1 and 21 October Scottish Widows and the QROPS provider undertook further work to provide the outstanding information required before the transfer could be completed. Scottish Widows accepts that it didn't request some of the information it required in a timely manner. So, the transfer of Mr S' pension savings was not completed until 5 November.

Scottish Widows sent Mr S its response to his complaint in November 2024. It said that it wasn't responsible for any delays caused by the initial email being sent to an old email address by the QROPS provider. But it thought it had caused delays later in the process that caused the transfer of Mr S' pension savings to be delayed by around two weeks. It said that meant the amount it had transferred was actually higher than it would have been if it had been sent earlier. But it said it would check with the QROPS provider whether Mr S had suffered any investment losses due to the delay. It paid Mr S £150 for the inconvenience he'd been caused.

In December 2024 Scottish Widows told Mr S that it was still working with the QROPS provider to see whether he had lost out due to the delay. It said the QROPS provider had used some incorrect dates when performing its calculations. In February 2025 Scottish Widows told Mr S that it was still working to establish any loss, but it had noted that it had previously used incorrect dates when setting out the delay. So it paid him a further £200 for the inconvenience he'd been caused. Unhappy with that response Mr S asked us to look at his complaint.

In March 2025 Scottish Widows told Mr S that it was agreeing to pay the loss that the QROPS provider had identified of £3,482.33. And it said it would pay a further £250 (making a total payment of £600) for the inconvenience he'd been caused.

Mr S remained unhappy with what Scottish Widows had done to put things right so one of our investigators has looked at his complaint. The investigator thought that what Scottish Widows had ultimately done to put things right was fair and reasonable. So, the investigator didn't think Scottish Widows needed to do anything more.

Mr S didn't agree with that assessment. He asked Scottish Widows to pay him further compensation of £650 to resolve the complaint. So, as the complaint hasn't been resolved informally, it has been passed to me, an ombudsman, to decide. This is the last stage of our process.

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.

In deciding this complaint I've taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by Mr S and by Scottish Widows. Where the evidence is unclear, or there are conflicts, I have made my decision based on the balance of probabilities. In other words I have 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.

At the outset I think it is useful to reflect on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would 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.

When asking that this complaint be considered by an ombudsman Mr S has gone to great lengths to make it clear that he isn't contesting the compensation that has been paid by Scottish Widows for his financial losses. He says that he simply wants an ombudsman to decide whether Scottish Widows should pay him an additional £650 for the distress and inconvenience he has been caused.

Naturally, when considering the complaint, I have looked at everything that happened. Given Mr S says he is happy with the compensation Scottish Widows has paid for his financial losses I think it reasonable to conclude he agrees with the estimates Scottish Widows has made of when the transfer should have been completed. I have also looked at what Scottish Widows has said and I am satisfied that Scottish Widows has accurately and fairly calculated the delay it caused to the transfer. So I see no reason to make any further findings on the financial compensation Scottish Widows has paid.

As I said earlier, Scottish Widows has already paid Mr S a total of £600 for the distress and inconvenience he has been caused. I've thought carefully about Scottish Widows' actions during the transfer process, and their impacts upon Mr S. Having done so I think the compensation Scottish Widows has already paid is in excess of what I would normally award in circumstances such as these.

It doesn't seem that, at any time during the transfer, Mr S had any concerns that his pension savings had in some way been lost in transit. I accept he faced a degree of frustration and inconvenience and needed at times to intervene between Scottish Widows and the QROPS provider. But I don't think what Mr S needed to do was such that I should consider he suffered from considerable distress and inconvenience.

I appreciate that this decision will be disappointing for Mr S. But I think that Scottish Widows has correctly identified the delays that it caused in the transfer of Mr S' pension savings to the QROPS, and has paid appropriate compensation for the financial impact of that delay. I think the £600 that Scottish Widows has now paid to Mr S for his distress and inconvenience is fair and reasonable and more than I would award in similar circumstances. So I don't think Scottish Widows needs to pay Mr S anything more.

My final decision

My final decision is that I uphold Mr S's complaint. But I think the compensation already paid by Scottish Widows Limited is fair and reasonable so no further compensation needs to be paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 30 September 2025.

Paul Reilly
Ombudsman