

The complaint

Mr C complains that Aviva Life and Pensions UK Limited ('Aviva') delayed switching the monies from his existing self-invested personal pension (SIPP) with them, to his new provider.

Mr C would now like Aviva to pay him the lost investment growth potential he believes is a consequence of their delays in moving his fund.

What happened

In February 2024, Mr C decided to switch his existing Aviva pension SIPP to a business that I shall call 'Firm J'. Aviva received Mr C's completed application on 12 February 2024 and sold down his investments shortly thereafter. On 29 February 2024, Aviva processed the transfer out and on 5 March 2024, the monies were sent to his new provider.

Two weeks after Aviva had received Mr C's switch application, he decided to formally complain to them. In summary, he said that he was unhappy with the length of time it was taking them to move his plan to Firm J.

After reviewing Mr C's complaint, Aviva concluded that they could have completed the switch faster. They also said, in summary, that the switch should have been marked as urgent to get the funds out by 29 February 2024, rather than 5 March 2024. Aviva explained that they would undertake a loss assessment to ensure that he wasn't financially disadvantaged and were going to pay him £200 for the inconvenience that they'd caused.

Aviva's subsequent investigation determined that no further redress was necessary because they'd sent the monies to Firm J by CHAPs on 5 March 2024 resulting in the funds still being received within the normal regulatory deadlines. However, to take account of the two days that the monies were with Aviva for prior to the transfer and not 'in the market', they'd calculated that Mr C was due £307.05 in interest - but that had been added to the pot prior to the transfer.

Mr C was unhappy with Aviva's response, so he referred his complaint to this service. In summary, he said that he wasn't happy Aviva had taken a total of 21 days (or 12 working days) after liquidating his funds, to move them to Firm J. Mr C explained that as the markets had risen c2% in that time, he'd lost around five figures (£) that he wanted recompensing for.

The complaint was then considered by one of our Investigators. He concluded that Aviva had treated Mr C fairly because from what he'd seen, the switch was completed within a reasonable timeframe. He also said, in summary, that markets inherently fluctuate, and firms cannot reasonably be held accountable for such movements. Our Investigator also felt that the £200 Aviva had offered along with the £307.05 was in line with what he would've expected.

Mr C, however, disagreed with our Investigator's findings. In summary, he said that he'd requested on multiple occasions more information on the regulatory rules that underpin transfers and to date, he'd not been provided with any. Mr C also explained that Aviva had

already admitted to a process error that extended the timescale by two days and had only recovered it by using CHAPs. In view of that, he felt that the funds had remained with them for longer than necessary. Mr C said that he believed the background to Aviva's rationale for the delays was still unclear.

In light of Mr C's further representations, our Investigator decided to look again at his complaint and the supplementary evidence provided. A number of further exchanges between our Investigator, Aviva and Mr C then followed. On further reflection, our Investigator felt that Aviva needed to take action to put things right for Mr C. In summary, our Investigator said:

- The original Origo request (which is the system providers use to facilitate pension switches between themselves) was incomplete and should have been clarified.
- If there wasn't an oversight in the original Origo request, Aviva would have requested the correct resubmission on 14 February 2024. The correct request would have been received on 15 February 2024 and the trades could have been keyed on 19 February 2024. The BACs transfer would have then been undertaken in line with standard timescales of 10 working days from the trades being keyed in.
- Aviva keyed in the sales on 14 February 2024 – before it had remedied the incorrect Origo request. This wasn't right and should have been done after – which would have been 19 February 2024.
- Aviva needed to consider whether Mr C being "out of the market" during this window had resulted in a financial loss.
- Had there not been any delays, the funds would have been received by Firm J on 4 March 2024. This is the date that Aviva has already agreed to complete a loss assessment at the point at which Firm J would've received the switch monies (as opposed to 5 March 2024).
- Aviva needed to complete a loss calculation.
- Aviva's offer of £250 (that had recently been increased from the original £200) for the trouble caused was fair and reasonable in the circumstances.

In response to the Investigator's updated view, Mr C explained that he didn't believe that Aviva had investigated his complaint properly and had repeatedly refused to engage with him. In addition, Mr C explained that he wanted his concerns escalating to the Ombudsman because:

- Aviva will be choosing the pricing point on the day in question. Mr C went on to say that he has no means of independently establishing the data relating to that day and so is forced to rely entirely on Aviva's unseen choices. Mr C stated that he was being denied transparency.
- At no point has the Investigator's view of proportionality been justified – Mr C said that he didn't feel the £250 for the trouble caused was reasonable. Mr C went on to say that the conduct and competence of Aviva during the window since raising the complaint has been the prime reason for this protracted process and he deserved a substantial increase in the amount awarded.
- His request for an apology is entirely separate from any financial compensation – it's a directly expressed unprofessional opinion of his personal conduct from Aviva's complaint

handler for which he wants Aviva to apologise for.

- Aviva had made allegations that had been proven to be unfounded, where they said he had been provided with all the available information which was not true.

However, Mr C stated that whilst he would've preferred a loss assessment to have been undertaken following the approach that he'd previously submitted, in view of the length of time the complaint had taken, he was prepared to accept the Investigator's proposal of using the period of 15 February to 19 February 2024 as the timeframe for determining whether he'd lost out financially.

On 15 May 2025, Mr C wrote to our Investigator explaining that Aviva had since undertaken the loss calculation that was set out in the subsequent view. Mr C stated that Aviva had credited his pension with them by £2,982.

The complaint then came to me for a decision. After carefully considering both sets of submissions, I decided to issue a provisional decision on the case as I explained that whilst I was planning on upholding Mr C's complaint, I wanted to add wider reasoning to our Investigator's comments and add clarity to how the redress should be calculated. The aim of the provisional decision was to give both parties the opportunity to provide any new evidence that they wished for me to consider before I reached my final decision.

What I said in my provisional decision:

I have summarised this complaint in less detail than Mr C has done and I've done so using my own words. The purpose of my decision isn't to address every single point raised by all of the parties involved. If there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied that I don't need to comment on every individual argument to be able to reach what I think is the right outcome. No discourtesy is intended by this; our rules allow me to do this and it simply reflects the informal nature of our service as a free alternative to the courts.

My role is to consider the evidence presented by Mr C and Aviva in order to reach what I think is an independent, fair and reasonable decision based on the facts of the case. In deciding what's fair and reasonable, I must consider the relevant law, regulation and best industry practice. Where there's conflicting information about what happened and gaps in what we know, my role is to weigh up the evidence we do have, but it is for me to decide, based on the available information that I've been given, what's more likely than not to have happened. And, having done so, I'm upholding Mr C's complaint and it's largely for the same reasons as our Investigator - I'll explain why below.

I don't intend on repeating the timeline of this case as it's well known to both parties. Whilst I appreciate that Mr C has accepted our Investigator's subsequent view of when the switch should've taken place were it not for Aviva's error, for completeness, I have also considered those events. When mistakes occur, we'd generally consider what ought to have happened were it not for the original error. Whilst this isn't always an exact science, we have to decide on balance, what's more likely than not to have occurred had the mistake not happened. And, having done so, I'm satisfied that the right conclusions have been drawn by our Investigator in his 25 March 2025 updated view. I say that because Aviva have conceded that there was an issue with the original Origo request (which Mr C's new scheme had to remedy) and that they shouldn't have keyed the sales when they did.

What that means in practice is that Aviva should've waited for a corrected Origo request to come through before undertaking the sells of Mr C's SIPP. Had Aviva waited for a revised Origo request, Mr C's monies would have remained invested in his chosen funds for longer.

Therefore, based on what I've seen, had the Origo error been identified and then corrected, Aviva would have been in a position to sell the investments in Mr C's SIPP on 19 February 2024 and the monies would've been with Firm J on 4 March 2024 (rather than 5 March 2024). I therefore require Aviva to undertake a loss assessment following my methodology below.

Mr C has explained that he'd like to have a clear understanding of what parameters Aviva will use in their loss calculation – specifically, he's concerned that having looked at the sale information of his 22 funds that were held in his SIPP, one was sold at 10:00, 16 were sold at 12:00, two were sold at 15:00, another two were sold at 16:00 and another one was sold at 16:30. Mr C believes that Aviva could 'time' the sales to benefit themselves rather than him. However, having looked at the previous investments held in Mr C's plan, all were collective funds, rather than single equity holdings. When a consumer holds individual equity holdings, we'd typically (although not always) instruct the firm to use a mid-day or average price for that day. But, we take a different approach for consumers holding collective funds and I'll explain why.

As Mr C's SIPP held collective funds, all are traded on what's known as a 'forward' pricing basis. What that means in practice is, when an investor places a buy or sell order for units within the fund, the price they receive is not based on the current or past price, but rather on the next calculated net asset value. This ensures fairness because all investors who trade the same day receive the same pricing, preventing investors from taking advantage of short-term market movements since they don't know in advance the price at which their trade will be executed. This process ensures that all investors in the fund are treated equally and fairly. And, the times that Mr C has mentioned I well suspect are the pricing points for each of his funds rather than the specific time that Aviva has sold his different funds. Therefore, I won't be instructing Aviva to time the redress transactions to a specific point of the day.

Mr C states that he's unhappy Aviva's complaint handler noted in one of their email exchanges that she'd found him to be "argumentative" and that he was trying to "catch her out". Mr C says that Aviva have tarnished his reputation, and they should be held accountable for this as he felt "distressed" by her comments. Mr C is unhappy that our Investigator didn't directly address this point.

I've looked at all of the various email exchanges between Mr C and Aviva, but I won't be drawn on giving my opinion on the complaint handler's choice of words in response to Mr C's emails – my role is to address the original complaint point that Mr C raised with Aviva, which is the timeliness of his pension switch.

I've given careful thought to the impact that Mr C says these events have had on him. Using financial services won't always be hassle free and sometimes mistakes occur but when they do, we'd expect the firm to put things right promptly. It seems in this instance, whilst Aviva's initial review of Mr C's complaint reached an incorrect conclusion, they did ultimately recognise that a mistake had been made and revised their offer of compensation from £200 to £250. At the same time, I'm also cognisant that Aviva didn't originally receive a fully completed Origo request, so part of the delay wasn't as a consequence of their actions. In considering the matter afresh, I've thought about what Mr C has said and put that against the nature of the issues he's faced in to – and I'm satisfied that the offer Aviva have already made of £250 is fair and reasonable in the circumstances and is at a level that I would have awarded Mr C had they not already offered to do so.

I'm therefore upholding Mr C's complaint and I require Aviva to put things right for him in the manner that I've set out below.

Putting things right

My aim is to put Mr C as closely as is reasonably possible back into the same position that he would've been in were it not for Aviva's error.

Mr C has exchanged a large volume of correspondence with our Investigator about the redress approach and is concerned that he won't have clear visibility of how Aviva arrives at any final settlement figure. So, for the avoidance of any doubt, I have set out the methodology below that must be followed when undertaking the loss calculation:

1. Aviva must establish what value the funds within Mr C's SIPP would have achieved had those investments been liquidated on 19 February 2024.
2. Determine the precise funds that Mr C invested in once he moved his Aviva monies to Firm J - Mr C must provide Aviva with a copy of his Firm J SIPP statement (from March 2024) showing the date of his first investment using the Aviva monies.
3. Determine what investment growth those monies would've benefited from, from the point that the monies were actually invested through to the date of my final decision.
 - a. If Mr C did not make an immediate investment using the original Aviva monies that were sent on 5 March 2024, then there is no financial impact of the one-day delay.
 - b. If Mr C did make an immediate investment using the original Aviva monies on 5 March 2024, Aviva needs to determine the impact (if any) of investing the monies (from (1) above), a day earlier (on 4 March 2024) using those funds.
4. Aviva should then compare that figure to what Mr C's transferred Aviva funds achieved following their move to Firm J at the date of my final decision.
5. If the amount in (4) is less than the amount in (3), there is a loss and Aviva should pay this amount into Mr C's Firm J SIPP. The payment should allow for the effect of charges and any available tax relief. The redress shouldn't be paid into the plan if it would conflict with existing protection or allowances.
6. As the amount in (4), includes the £307.05 in interest that Aviva paid into Mr C's pot, I'm of the view that any loss to which he is due can be offset by that £307.05. If I didn't allow Aviva to offset the £307.05 that they've already added to his transfer amount, he'd be benefiting from the error twice.
7. If a payment into the Firm J SIPP isn't possible, then it should be paid directly to Mr C as a lump sum after making a notional reduction to allow for future income tax that would otherwise have been paid.
8. If Mr C has any remaining tax-free cash entitlement, 25% of the loss would be tax free and 75% would have been taxed according to his likely income tax rate in retirement, presumed to be 20%. So, making a notional reduction of 15% overall from the loss adequately reflects this.

If they've not already done so, Aviva must pay the £250 to Mr C for the inconvenience that their original error caused.

Given we're a quick and informal dispute resolution service, I'm satisfied that the above approach is fair and reasonable in all of the circumstances and allows both parties to draw a line in the sand in the simplest way possible and move on.

Responses to my provisional decision:

After reviewing the provisional decision, Mr C explained that he accepted the outcome but he did raise a number of questions about the redress methodology which were subsequently addressed by our Investigator. Mr C went on to explain that he was extremely disappointed that Aviva's uncooperative stance, misinformation and superficial investigation had not attracted any significant sanction.

Despite being prompted for any comments about the provisional decision, Aviva didn't give any further input.

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.

I think it's important to be clear about the remit of this service – we're not here to punish or sanction firms when things go wrong, that's the role of the regulator, the Financial Conduct Authority (FCA). We act as a free and informal dispute resolution service that aims to resolve complaints quickly and fairly. So, whilst I appreciate that Mr C feels let down by Aviva, it's not our role to punish them. The FCA does however view the outputs of this service when they're overseeing all of the businesses that they regulate, which then helps shape their decision making and potential interventions.

As I've not been provided with any new information that's made me change my mind, it therefore follows that I've reached the same conclusion for the same reasons that I set out in my provisional decision above.

My final decision

I'm upholding Mr C's complaint and require Aviva Life and Pensions UK Limited to put things right for him in the manner set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 14 July 2025.

Simon Fox
Ombudsman