

The complaint

Mr K complains that Aviva Life & Pensions UK Limited didn't do enough to make alternative arrangements to pay an annuity payment to him after his bank closed his account. He says he suffered hardship as a result of the delayed payment.

What happened

Mr K was in receipt of monthly annuity payments from Aviva. His payments had been made into an account with B. Mr K says that because he changed his address to an overseas address B closed the account. He says he informed Aviva about this and on 11 December 2024 he asked it to make the payment into a different bank account in the UK.

On 15 December Mr K contacted Aviva again and informed it that he was moving back to an overseas address. Aviva initially told him on, 16 December, it could make the payment into a bank account in the overseas country that he had used previously. However, it subsequently told him on 20 December it needed him to provide certified copies of his identification and overseas address before it could make the payment into the overseas bank account. Mr K explained why that wouldn't be possible. In response Aviva confirmed by email it would accept an uncertified copy of his address details.

Mr K says his annuity payment was due to be paid on 18 December 2024. He says he was left with no funds even to purchase food. And due to his medical conditions he experienced severe hardship.

Mr K says he contacted Aviva during this time to explain his circumstances. His wife also made complaints on his behalf. She placed reviews on an internet review website about what was happening and she also asked Aviva to make the payment through a money transfer company. Mr K asked Aviva to speak with a representative he'd appointed to try to get an early resolution. Despite this he says Aviva did nothing to expedite the matter.

On 30 December 2024 Mr K provided a certified copy of proof of his address. Aviva made the payment to him on 13 January 2025. Mr K complained about what had happened.

Aviva investigated his complaint. It said Mr K had previously informed it he was moving overseas in August 2024. It had obtained certified copies of his identity and address verification at that time. He subsequently informed Aviva he had moved back to the UK. On 16 December he had contacted Aviva again and told it his account with B had been closed. He also informed it he was moving back overseas.

Aviva acknowledged it had made errors including:

- It hadn't told him on 16 December 2024 it would require new documentation to make payments into his overseas bank account. It had provided this information to Mr K on 20 December 2024.

After Mr K informed it about the difficulties he would have trying to get this documentation, Aviva said it had told him it would accept an uncertified copy of proof

of his overseas address. Mr K had already told it he had this document. Aviva said it had agreed to accept this documentation by way of exception and because it sympathised with the growing urgency of the matter.

- Mr K had asked it to speak with a representative he said would act on his behalf. Aviva acknowledged it should have explored this option further. It apologised for this.
- After Mr K provided proof of address on 30 December, Aviva said it should have confirmed receipt and set out a timeframe to use this evidence to get his payments reinstated.

Aviva said if it had given Mr K the correct information on 16 December his payment could've been made on 7 January 2025 rather than 13 January 2025. Because of the delay, it agreed to pay him late payment interest on the payment it had made on 13 January 2025.

In recognition of the delays and distress he'd experienced it paid him £500 by way of apology and it also paid him £50 to cover financial loss he said he'd incurred (such as roaming charges) when he'd had to contact it.

Mr K did not think this was enough compensation. He reiterated how the delay had impacted his health. Aviva did not change its view. Mr K referred his complaint to our service. He said there were four outstanding complaints and he didn't want Aviva to be allowed to continue to administer his pension.

Our investigator looked into his complaint. She thought Aviva had made errors. It had already acknowledged its errors. She said it had adjusted its usual procedures by agreeing to accept uncertified proof of address and it had, after 16 December 2024, sent him an email with clear instructions about that. She didn't think it was unreasonable for Aviva not to make the payment through a money transfer company as that also would've required verification checks.

She considered the actions Aviva had taken to try to put Mr K back into the position he would've been in had the errors not happened. Aviva had now paid the annuity and had added late payment interest for the delay it had caused. It had also paid £50 towards additional costs Mr K said he'd incurred. Aviva had also acknowledged the distress and inconvenience it had caused. It paid him £500. Our investigator thought this was fair and in line with what our service would generally expect it to have paid for what happened.

Our investigator said we could not consider a complaint which was about how Aviva had handled Mr K's complaint since complaint handling was not a regulated activity. She also said she couldn't see there were any outstanding complaints. If Mr K didn't want Aviva to continue to handle the administration of his annuity he would need to raise that matter with it first. She commented that her understanding was that generally once an annuity was set up it could not be changed.

Mr K did not agree with what our investigator said. He said he'd not been paid enough compensation for what had happened.

Because Mr K disagreed, the complaint has been passed to me to decide.

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.

At the outset, I'd just comment that I can see how difficult it was for Mr K when his annuity payment was delayed just after he went back overseas in December 2024. I'm sorry to hear about the issues he experienced at that time.

I'd also just point out that as our investigator said, if Mr K no longer wants Aviva to administer his annuity, he will need to raise that matter with it in the first place. So, I will not be commenting about that in this decision.

Mr K decided to move back overseas in December 2024. He contacted Aviva at that time and explained what he was doing. He was concerned about his monthly annuity payment. He needed Aviva to redirect it to a different bank after B told him it was closing his bank account.

Mr K says his account with B had been closed without any notice having been given and he only found out about it when his wife phoned B about another matter. He first told Aviva about this on 11 December 2024. At that time, he said he was residing in the UK and he nominated a UK bank account with a different bank (N) to have the payment sent to it. Aviva was unable to verify his address using its usual electronic checks and because of that it was unable to change his bank account to his account with N on its system.

I've thought about what happened in the subsequent days:

15 December 2024 - 20th December 2024

On 15 December Mr K contacted Aviva. He said he had decided to move back overseas and he was leaving on 18 December 2024. The following day he contacted Aviva again and provided his new overseas address. He was told during this call the reasons why his annuity payment could not be made into his account with N. Aviva told him it was still looking into options regarding his bank details change. Aviva suggested that the payment could be made into an account Aviva had previously made payments into which was in the overseas jurisdiction where Mr K was going to live. It didn't mention any requirements it had for address or identification verification to be certified before it could do this.

Over the next few days there was continued contact between Mr K and Aviva. Mr K said he couldn't get the address verification because he needed to be resident in the overseas jurisdiction for six months before that could be provided. He said he had no income. Aviva asked him to phone it so that it could get a full understanding of all the changes he wanted to make. Mr K says he did phone Aviva, but the call was cut off because he did not have enough credit on his phone. Email exchanges followed. I can see from the emails how distraught Mr K was. He'd just gone back overseas; he said he had no income; and he couldn't pay for the essential items he needed to survive.

Aviva sent him an email on 20 December 2024 setting out the documentation it required to enable it to send the payment to his overseas bank. It said it needed certified copies of these documents. Mr K explained that this was not going to be possible, and Aviva sent a further email that day to explain that due to Mr K's circumstances it was willing to accept an uncertified copy of a document showing his new address. It explained that he'd already told it he'd presented such a document to officials in the overseas location. It asked him to send it this document.

Aviva has acknowledged it made errors when it didn't tell Mr K on 16 December it needed him to provide certified copies of his name and address verifications. It didn't provide that information until 20 December – which was four days later.

However, I can see that in light of Mr K's circumstances Aviva said it was willing to adjust its

usual requirements and agreed to accept an uncertified copy of a document showing his overseas address – a document he'd told it he already had. It confirmed that by email dated 20 December 2024. I think that was fair and reasonable in all the circumstances that applied here and indicated Aviva was prepared to be flexible in its approach. Agreeing to accept an uncertified copy of a document Mr K had told it he already had in his possession was a fair and reasonable response to the information Mr K had given to Aviva about his circumstances.

20 December – 30 December 2024

Mr K did not provide the documentation Aviva had requested until 30 December 2024. It's not clear why that was the case although I can see that Mr K's health appears to have deteriorated at this time and that's why his wife tried to contact Aviva to get the matter expedited.

Mr K's wife sent emails to Aviva and also posted reviews on the internet and social media. She also asked Aviva to escalate the issue and provided details about Mr K's health situation. Aviva explained that it was looking into the matter. But it doesn't appear to have reiterated to Mr K's wife that it was waiting for the address verification document to enable it to proceed.

Mr K's wife also proposed that payment could be made using a payment transfer company. However, I'm satisfied on balance, that wouldn't have been possible without the address verification.

On 24 December Mr K asked Aviva to liaise with a representative he'd appointed to act on his behalf. It told Mr K it didn't have authority to speak to his representative. There's no evidence that Mr K's representative tried to contact Aviva. However, Aviva accepts it could have done more to follow up on this request.

Aviva has already acknowledged it could have done more during this period to have assisted Mr K. I'll comment further below about the compensation it has paid to Mr K by way of apology.

30 December 2024 – 13 January 2025

As I've stated above Mr K sent Aviva the documentation it had requested on 30 December 2024. Aviva says its overseas payment team, in line with its regulatory obligations, had to verify the overseas bank details before it was able to make the payment on 13 January 2025. Future monthly payments were reinstated at that time.

I've thought about the time taken to carry out the verification checks. It took nine working days in total before the checks were completed, and the payment made. However, having considered everything, I'm not persuaded, on balance, that was longer than might reasonably have been required to complete checks of this nature. So, I don't think Aviva caused an unreasonable delay during this period.

Mr K says he raised four complaints with Aviva and it hasn't investigated all of those complaints

I can see that Mr K has raised several complaints with Aviva about what happened here. Our investigator said she hadn't seen any issues which Mr K had raised with Aviva which had not been considered. And, Mr K hasn't provided any new information in response to what she said.

Having considered everything including the final response letter dated 27 January 2025 and Aviva's subsequent correspondence dated 30 January 2025, I'm satisfied, on balance, there are no outstanding complaint points.

As our investigator said, I also cannot consider any complaint or part of a complaint which is solely about how a business has handled a complaint. The Rules which govern our service only permit us to look into complaints about regulated activities and complaint handling itself is not a regulated activity.

What has Aviva done to put things right

Aviva has accepted it made errors here. When a business makes errors it's not our role to fine or punish it. We look to see if it has done enough to try to put things right and whether the actions it has taken are fair and reasonable in all the circumstances that applied.

Financial Loss

There was a delay in making the annuity payment. However, I don't think Aviva did anything wrong when it explained to Mr K it had to carry out checks before it could make the payment into his overseas bank. It acknowledges it could have done that on 16 December 2024 – rather than 20 December 2024. It has paid late payment interest on the annuity payment as a result. That's in line with what we would have expected it to have done where there's been a delayed payment.

It has also paid Mr K £50 for costs he says he incurred when he had to contact it by telephone. Aviva hasn't insisted that he provide evidence of those costs, and it's also explained that if he provides evidence of any further costs he incurred it will reimburse him. I think that's fair and reasonable. So, I don't require it to have to do anything further to compensate him for any financial loss he incurred.

Distress and Inconvenience

I've then thought about the distress and inconvenience Mr K experienced during this period. I can see his health deteriorated in the period after he went back overseas. He's told us about how difficult this was for him and his wife. He says they were unable to buy food or medicine, and it was a very stressful time.

When considering this matter, I've noted there were other reasons why Mr K didn't have any income at this time – not all of which were related to his annuity payment from Aviva. He told Aviva about issues with receipt of other income he was entitled to - but hadn't received.

Nevertheless, Aviva has acknowledged it could have done more to assist him. For example, it says it could have provided him with an exact timeframe to process his address verification. And it could have done more to explore whether it could liaise with the person he'd asked to be his representative.

Aviva has already paid Mr K £500 by way of compensation for the distress and inconvenience he experienced. Having considered everything, I think that's fair and reasonable and does take into account the particular circumstances that applied here. It's also in line with our guidance for awards of this nature where Mr K has experienced considerable distress, upset and worry. So, having considered everything, although I know it will disappoint Mr K, I don't require Aviva to have to pay him anything further.

My final decision

For the reasons set out above I do not uphold this complaint about Aviva Life & Pensions UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 18 September 2025.

Irene Martin
Ombudsman