

## **The complaint**

Mr S complains that Scottish Widows Limited unreasonably delayed the transfer of his pension savings to another provider.

## **What happened**

Mr S held pension savings with Scottish Widows. In February 2025 Mr S decided to transfer his pension savings to a new provider that I will call X. Scottish Widows received a request for the transfer from X on 19 February 2025 using the automated Origo system.

Scottish Widows says that the request it received from X was incomplete. It says the regulatory “stronger nudge” part of the request hadn’t been completed correctly. So Scottish Widows says that it needed to ask Mr S to complete an additional discharge form to provide the information it required. Scottish Widows sent a letter containing that request to Mr S on 22 February, although Mr S says it wasn’t received by him until 3 March (although I note that his signature on the form he returned was dated 1 March).

Mr S completed the discharge form, and it was received back by Scottish Widows on 5 March. That was the point at which Scottish Widows had all the information it needed to complete the transfer. So Scottish Widows used that date when calculating the value of Mr S’ pension savings. It transferred the funds to X on 12 March.

Mr S complained to Scottish Widows that the information it had requested was unnecessary. He said that he had confirmed to X that he didn’t wish or need to take financial advice before instructing the transfer. And he said that other providers had accepted the same transfer request without question. Mr S said that he thought the date used by Scottish Widows to value his pension benefits was unfair. He said that Scottish Widows had received a completed transfer request on 19 February, and its contact centre had confirmed to him that would be date used to value his transfer.

Scottish Widows accepted that it had given some incorrect information to Mr S about the date it would use to value his pension transfer. It apologised and paid him a total of £110 for his inconvenience and the cost of his telephone calls. But Scottish Widows didn’t think it had acted incorrectly in the time it had taken to process the transfer. It said it was required to ask for further information before the transfer could proceed, and the receipt of that information set the date for the transfer. Unhappy with that response Mr S brought his complaint to us.

Mr S’ complaint has been assessed by one of our investigators. She thought that Scottish Widows had handled Mr S’ transfer request in line with the timescales that we would expect. And she thought that the date Scottish Widows had used to value the pension savings was fair. The investigator thought that the compensation Scottish Widows had paid for Mr S’ inconvenience was in line with what we would normally award in circumstances such as these. So the investigator didn’t think the complaint should be upheld or that Scottish Widows needed to do anything further.

Mr S didn't agree with that assessment. 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.

There are a number of regulated businesses involved in this complaint. Mr S made his transfer from Scottish Widows to X. And he has also referenced what happened when making similar pension transfers from two other regulated pension providers to X. But this complaint is simply about the actions of Scottish Widows. It would not therefore be appropriate for me to make any findings about the actions of the other businesses. I will simply look at the information Scottish Widows received and whether it completed Mr S' transfer within a reasonable timeframe.

As Mr S is aware, the "stronger nudge" regulations are part of the UK government's efforts to increase take-up of pensions guidance for members approaching retirement, and they came into force on June 1, 2022. They require pension providers to present Pension Wise guidance or regulated financial advice as a normal part of the retirement application process, and for members to either receive this guidance or actively opt-out before proceeding.

Mr S has sent us images of the screens he says he completed on X's website when requesting the transfer. That information was then used by X to complete the Origo request that was sent to Scottish Widows. Scottish Widows has provided us with a copy of the data it received from Origo when the transfer request was sent to it on 19 February.

Scottish Widows says there are two fields in the Origo request that are of particular relevance to this complaint. The Origo request confirmed that Mr S had not engaged a financial advisor to assist him with the transfer. So Scottish Widows was then looking for confirmation that the "stronger nudge" requirements had been met. The Origo request that it received showed the Stronger Nudge Status as being "FCA regulated pension scheme".

Scottish Widows would normally consider one of three responses in that field to be acceptable. It would accept a response of;

- Nudge Given and Member Received Guidance,
- Nudge Given and Member Opted Out of Receiving Guidance,
- Nudge Not Given, Not Accessing Benefits

In this case, as I have set out above, that field of the Origo request did not contain one of the appropriate responses. So I think Scottish Widows reasonably concluded that it needed some more information in order to meet its regulatory responsibilities with regard to the transfer. Scottish Widows sent a Transfer Discharge form to Mr S for his completion, and confirmation that he had chosen not to seek advice or guidance on the transfer.

I appreciate that Mr S says that he had already provided X with the information Scottish Widows needed about the stronger nudge. And, from the screenshots he has sent us of his application, it does seem that might have been the case. But that information wasn't sent through to Scottish Widows as part of the Origo request. Scottish Widows could only act on the information it was sent – and that didn't show Mr S had confirmed he had decided not to take advice on the transfer.

As I said earlier, Scottish Widows received the transfer request on 19 February. I would generally think it reasonable for providers to be allowed a short period of time at each stage of processing for their work to be completed. I think it would be unreasonable to expect all requests to be routinely actioned on the day they were received. So I think the period of time it took Scottish Widows to send the form to Mr S was reasonable. I appreciate there was a short delay in the form being delivered to Mr S but I don't think that was something that Scottish Widows had any control over. Nor was it responsible for the time it took for the form to be sent back after Mr S had signed it on 1 March.

Mr S' discharge form was received by Scottish Widows on 5 March. That was the point at which Scottish Widows had all that it needed to complete the transfer of Mr S' pension savings to the new provider. So I think it reasonable that was the date that Scottish Widows later used to calculate the value of the pension benefits. I don't think that any earlier date should have been used such as the date of the Origo request – at that time Scottish Widows didn't have all the information it needed to allow the transfer to progress.

So I think it fair that Scottish Widows used 5 March as the date to value Mr S' pension savings for the transfer. And I can see that the funds were ultimately sent to X on 12 March. Bearing in mind what I said earlier about a reasonable processing time being appropriate, I don't think Scottish Widows caused any undue delays at this stage of the transfer process either.

I have considered what Mr S has said about the other two providers that also held his pension savings completing the transfer without requesting any further information from him. But as I explained earlier I am not judging their actions in this decision. I am satisfied that the steps Scottish Widows took were fair and reasonable and in accordance with its regulatory responsibilities

I appreciate how disappointing this decision will be for Mr S. The time it took for the discharge form to be sent to him and returned to Scottish Widows delayed the valuation point for his pension savings, and meant that their value was lower than if Scottish Widows had received everything it needed on the original Origo request. But I don't think Scottish Widows acted unreasonably in asking for the additional information. So I don't think Scottish Widows did anything wrong in how and when it facilitated the transfer.

After Mr S had returned the discharge form to Scottish Widows he spoke with the firm to confirm how his pension savings would be valued. Scottish Widows hasn't been able to locate a recording of the call so it says that it accepts what Mr S recalls he was told. Mr S says he was told that his pension transfer would be valued at the date the Origo request was received.

As I have explained earlier, that information was incorrect – his transfer wouldn't be valued until Scottish Widows had everything that it needed to proceed with the transfer, including confirmation that the “stronger nudge” requirements had been met. But although being given that incorrect information will have caused some disappointment to Mr S I don't think it gave him any entitlement to require Scottish Widows to value his transfer at the earlier date. And since, by that time, that actual valuation date had already passed, I cannot see the incorrect information caused Mr S to act differently. He was given the correct valuation just a few days later.

Scottish Widows has already paid Mr S £100 for the inconvenience that the incorrect information caused to him. And it added a further £10 for the costs of any phone calls Mr S needed to make. Like our investigator, I think the compensation Scottish Widows has already paid to Mr S is fair and reasonable and in line with awards that we would make in similar circumstances. So I don't think Scottish Widows needs to pay anything more to Mr S.

### **My final decision**

For the reasons given above, I don't uphold the complaint or make any award against Scottish Widows Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 26 November 2025.

Paul Reilly  
**Ombudsman**