

## **The complaint**

Mr P complains that Aviva Life & Pensions UK Limited ("Aviva") failed to pay some pension benefits due to him in a timely manner.

## **What happened**

Mr P has been assisted in his dealings with Aviva by his financial advisor who is also a relative. But in this decision, for ease, I will simply refer to all communication as if it were with, and from, Mr P himself.

Mr P held pension savings with Aviva. In January 2025 he requested that his pension savings be paid to him as a lump sum. Aviva estimated their value would be just over £13,000 before the deduction of income tax. Mr P is resident overseas, and the bank account that he held was not part of the SWIFT payment system. So Aviva told Mr P it would not be able to make a payment to that account.

Following further discussions with Mr P and his financial advisor Aviva agreed to issue the payment by cheque. It said the cheque would be sent by 1 February. Aviva failed to issue the cheque and following further discussions with Mr P it agreed that the cheque would be sent by 13 February.

On 12 February Aviva told Mr P that it had made a mistake and would not be able to make the payment by cheque. But it later revised that position and agreed to make a cheque payment if some further identification requirements were met. Aviva says that it should have reminded Mr P that payment to a bank account would have been easiest.

Mr P provided Aviva with the requested identification documents on 19 February. But despite marking the payment as urgent Aviva didn't issue a cheque until 7 March – it says that the cheque should have been sent by 24 February at the latest. And it seems the delivery of that cheque was delayed – Mr P says he later received it but it had not been correctly addressed by Aviva.

When the cheque appeared to have been lost in the post Aviva agreed to cancel it and issue the payment by bank transfer. Mr P agreed to open a new bank account that would accept payments made by SWIFT. But there were again delays in Aviva making the payment, with it not being sent until 10 April. Unfortunately Aviva had entered the account details incorrectly so the payment needed to be resent on 17 April. Aviva included some interest with the payment to reflect the delay.

In response to Mr P's complaint Aviva accepted that it had failed, on a number of occasions, to deliver the service that Mr P was entitled to expect. So it paid him a total of £750 compensation for the inconvenience he'd been caused. And it also refunded the cost of the repeated phone calls that Mr P had needed to make to get the matter resolved. Unhappy with that resolution Mr P asked us to look at his complaint.

Mr P's complaint has been assessed by one of our investigators. She thought that the compensation Aviva had paid to Mr P was fair and reasonable and in line with the normal

awards we would make in circumstances such as these. So, whilst she had great sympathy for the problems that Mr P had faced, the investigator didn't think Aviva needed to pay any additional compensation.

Mr P 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 P and by Aviva. 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.

Since the issue of our investigator's assessment Mr P has made us aware of a further problem regarding his pension payment. He says there have been unacceptable delays to the issue of the P45 document that he needs to reclaim some of the income tax Aviva was required to deduct from his payment. Whilst I am sorry to hear of those problems they are not something I can consider in this decision – my findings here need to be restricted to those matters Mr P raised with Aviva and which were covered in its final response letter. Should Mr P wish to take the problems with the issue of the P45 further he would need to raise a new complaint with Aviva.

The request that Mr P made in January 2025, for the payment of his pension benefits, should have been relatively straightforward. I accept that him being resident overseas made things a little more complicated but I don't think it should have caused the extensive problems that he faced. As well as failing to make the required payments on time, Aviva also failed, on multiple occasions, to answer the emails that Mr P sent asking for updates, and when it did provide information it often turned out to be incorrect. It is understandable why Mr P feels so let down by the service Aviva provided to him.

But Aviva has been very candid in its final response letter in acknowledging its failures. I don't think Aviva disputes at all what Mr P has said about the service that it has provided to him. So what I need to decide in this decision is whether the steps already taken by Aviva to compensate Mr P are sufficient.

Mr P has said that he needed the funds from his pension to pay for some building work on his home. And when the payment was delayed Mr P says that he needed to use other sources of credit to pay those expenses. But it does seem that the pension payment from Aviva reached Mr P before he needed to repay the credit he had used. So I haven't seen anything that would suggest Mr P has suffered a direct financial loss as a result of the delay. When it sent the payment to Mr P Aviva added some interest to reflect the delay in the funds reaching him.

But it is clear that Mr P has suffered a great deal of distress and inconvenience due to the failures of Aviva. Both he, and Aviva, have sent us copies of the extensive correspondence he had with the firm when trying to trace payments that Aviva had said had been made. And what added to Mr P's frustration was that many of those emails and phone calls appeared to either be ignored or were answered with incorrect information.

Overall Aviva has paid Mr P £750 for the inconvenience he has been caused, together with compensatory interest for the late payment, and a refund of the telephone call charges he needed to pay. I've thought carefully about what amount of compensation would be reasonable in circumstances such as these. Having done so I think the payments Aviva has already made to Mr P are fair and reasonable, and in line with what I would have awarded had no compensation been paid. So I don't think Aviva needs to pay any additional compensation to Mr P.

I appreciate that this decision will be disappointing for Mr P. By not asking Aviva to pay any additional compensation I am not diminishing the inconvenience he has been caused. But I am satisfied that Aviva has already paid Mr P what I would consider to be a substantial amount of compensation that reasonably reflects the inconvenience he suffered due to the delayed payment of his pension benefits.

### **My final decision**

For the reasons given above, I don't uphold the complaint or make any award against Aviva Life & Pensions UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 22 October 2025.

Paul Reilly  
**Ombudsman**