DRN-5706844

Financial Ombudsman Service

The complaint

Mr W complains that following an IT update that Scottish Equitable Plc, trading as Aegon implemented, he has been unable to access his pension online for a number of months. Mr W also says that he has experienced issues contacting them by telephone which has caused him inconvenience and stress.

Mr W has forwarded two complaints relating to the same issue to this service, therefore this decision takes into account all information, comments and evidence provided in relation to both complaints. For clarity, this relates to the complaints raised with Aegon in September 2024 and January 2025 and forwarded to this service on 8 October 2024 and 14 February 2025 respectively.

What happened

Mr W held a Group Personal Pension with Aegon, taken out in 2011. In August 2024, Aegon carried out a planned upgrade to their technology platform for some of their older plans; as a result, connectivity with some of their online services was affected. Following this, Mr W has been unable to access his pension online. Although this had been anticipated to last for one weekend (and was communicated to customers at the time), the online connectivity and ability to access his pension had not been restored satisfactorily as at the date of my provisional decision on 27 June 2025.

On 16 September 2024, Mr W complained to Aegon, he said that he was unhappy he'd been unable to access their platform since their changes. On 5 October 2024, Aegon responded to Mr W's concerns; they apologised for the delay and explained that they did not have a timescale for resolving the IT issue. Aegon also stated that it was not a regulatory requirement to provide Online Services and it does not form part of the charging structure or contractual agreement. Aegon explained that they do not provide any guarantees of availability or functionality, but that they had a dedicated team dealing with the connectivity issues that were being experienced.

As a result, Mr W asked for details of how he could transfer his pension to another provider. Aegon did not respond to his request for information at that time. Mr W was not happy with the response in relation to the connectivity and forwarded his complaint to this service.

In the following months, Mr W continued to contact Aegon repeatedly in an attempt to reach a resolution to the issue, however he remained dissatisfied with the responses received which he feels did not go far enough to address his concerns, nor gave him a date for when he could expect the online access to be restored. During this time Mr W asked for a refund of any fees charged on his pension holdings since 22 August 2024 as he felt he had not received the service for which he believed he had been paying. Aegon did not agree to a refund of the fees as the online service did not form part of the charging structure and they reiterated that they don't provide any guarantees of its availability or functionality.

In December 2024, our investigator provided their view. He concluded that Mr W had been without a fully functioning online service for nearly four months (at that time), and the situation had not been resolved. Our investigator accepted that Mr W had been reliant on the online service to effectively monitor and manage his pension, and although Aegon had provided alternative avenues for this (such as telephone or using the digital enquiry site to request statements and valuations), these were often delayed to such an extent as to hinder proper live tracking of Mr W's pension. He did not agree with Aegon that this would not have caused Mr W distress and inconvenience and stated that Aegon should pay Mr W £200 in recognition of the trouble that the issues had and continued to have on him.

Mr W was initially accepting of the payment for distress and inconvenience, however he was not satisfied with the overall outcome. Mr W stated that he was concerned that the redress suggested would not have a significant impact on Aegon and wanted to pursue his complaint further in order to reach a long term resolution to the service issues he had encountered. Mr W explained that he wished to pursue the complaint further in order to compel Aegon to take further action to sort out the issues for the long term.

Having been advised of Mr W's comments, and because Mr W's plan was still offline, in January 2025 Aegon offered to pay £500 to Mr W for the trouble and upset caused. They reiterated that they were treating the issue as a high priority. Mr W did not accept this. He stated that he had only been able to get information "roughly every six weeks" and did not wish to close his complaint. He stated that his aim and priority was for Aegon to resume the online service and was unhappy with the fact that his access to manage his pension had continued to be restricted.

What I've provisionally decided – and why

I issued my provisional decision on 27 June 2025. It said;

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I am in agreement with the investigator, and for broadly the same reasons. However, I intend to differ in relation to the redress payable to Mr W.

I have summarised this complaint in less detail than Mr W 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.

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.

Mr W has referenced his belief that the issue is negatively impacting a "very large number of Aegon's customers, so should not be viewed as an isolated individual complaint." As I've already explained above, this service looks to resolve individual complaints therefore I cannot comment on the wider impact of the issues experienced by Mr W or how it may have affected other customers.

My role is to consider the evidence presented by Mr W and Aegon 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, based on what I've seen, I'm upholding Mr W's complaint but I'm not going to instruct Aegon to do anything beyond what they've already offered. I'll explain why.

It seems to me that there's no doubt Mr W has been impacted by Aegon's IT update – he's been unable to access his online account to check the progress of his plan and make trades. And, from what I've seen, neither party have disputed that. So, I've gone on to consider the impact that issue would have had on Mr W. Mr W has stated a number of times throughout his submissions both to this service and to Aegon that he used the website very regularly to track his pension investments. Based on the fact that this was a service that had previously been available to Mr W, I think it's reasonable to conclude that this was an important feature to him, particularly in light of the fact that he's close to drawing benefits so I can imagine losing this functionally would be incredibly frustrating.

Aegon have stated that whilst he is unable to access his pension online, Mr W could phone them to obtain details of his pension or request them via their website. However, Mr W has stated that when he has tried to obtain details via these alternative methods, he has experienced significant delays and has not found this to be a reliable means of accessing the information he requires.

Likewise, Mr W states that he has requested forms to consider transferring his pension elsewhere but has not received these.

In their responses to this service, Aegon have summarised a timeline of events, which I don't intend to repeat here as it's in line with Mr W's testimony and is well known to both parties. Aegon have explained the reasons for the issues encountered by Mr W, which stem from the upgrade carried out in August 2024. Aegon have also confirmed that although connectivity between the online services and their main database have been affected, they are satisfied that their customers' data is unaffected. Aegon have also confirmed that their IT department are continuing working to resolve the issue.

I agree that this level of service falls below that which we would expect of a financial services provider and it has had an ongoing impact on Mr W for a number of months. As Mr W holds a legacy pension policy set up in 2011, Aegon have confirmed that when Mr W took out his pension it was not an online platform-based proposition and it was never intended to be fully managed online, and as such, online access is provided as an additional service on a discretionary basis and is not contractual. Although it is true that offering an online service is not a regulatory requirement, nor is it part of any contractual agreement that Aegon had with Mr W, it is something that had been offered and become an accepted part of the services available to Mr W.

Mr W is unhappy that he has been unable to keep informed in relation to his pension, so that he can react appropriately to market movements. Aegon have confirmed that they have sent a link to a plan alteration form to Mr W, and reiterated that the fund options are on their website which has not been affected by the online services issues. They have also confirmed that Mr W can access up to date fund price information on the Financial Times website if he wishes to monitor fund performance daily or call their contact team to request a valuation at any time. I understand that Mr W has experienced excessive delays when attempting to contact Aegon to obtain fund values by phone. Due to the increase in call *volumes following the ongoing services issue, Aegon have confirmed they have increased staffing levels to help deal with the increased call volumes.*

So whilst I agree that the services experienced fall short of that to which Mr W had become familiar, I am of the opinion that Aegon have taken appropriate steps to mitigate the impact as far as reasonably possible. It is my understanding that the online access to Mr W's pension has not been restored to date.

Mr W has requested a refund of charges paid on his pension since August 2024, due to the fact he has received such poor service. However, I have been provided with evidence showing that the only charge that has been applied to Mr W's pension has been the Annual Management Charge (AMC). This fund relates to the cost of managing the pension and the investments held, and is not a plan fee, therefore I cannot agree that Mr W has not received the services to which the fee is linked and as such, I won't be asking Aegon to refund any of the charges that they've made.

As I've already set out above, the role of this service is to investigate complaints to see whether a customer has been financially disadvantaged or treated unfairly. And if we find a business has made an error, we look to return them to the position they should have been in had the error not occurred. I understand that Mr W wishes us to take steps to penalise Aegon for the issues experienced, however as the Financial Ombudsman Service is not the regulator of the financial services industry, this is outside of our remit. Likewise, we cannot tell a business what services they must provide. Because of this, although I uphold Mr W's complaint, I cannot tell Aegon to take any further action in respect of their online services.

It is not in any doubt that Aegon's errors have caused Mr W a high level of distress and inconvenience. Aegon have accepted this and offered him £500 by way of apology. And, having considered matters, I'm satisfied that's in line with what I would have instructed them to pay him had they not already offered to do so at the point in time that they offered this. However, the issues have persisted and Mr W still does not have access to his pension online. I recognise that this has caused Mr W a significant amount of distress and inconvenience when trying to manage his pension in the way he requires.

Aegon should therefore pay Mr W £1,000 to reflect the ongoing inconvenience caused by the issues. This amount takes into account the amount that Aegon had previously offered, and the additional period of time that the service has been unavailable to Mr W since it was offered. If Aegon have already paid the £500 previously offered to Mr W, they should deduct this from the £1,000 award stated here and pay an additional £500. Aegon should also keep Mr W updated in respect of the ongoing issues."

Responses to my provisional decision

I have received responses from both Aegon and Mr W in respect of my provisional decision. Mr W responded to state that he accepted the findings up to January 2025, and wanted reassurance that his second complaint was being dealt with.

Aegon expressed their views that the provisional decision included the issues raised by Mr W in both his complaints and confirmed that they are in acceptance of the findings in the provisional decision on the basis that the £1,000 award was in respect of both complaints. Having reviewed these comments alongside both complaint files, I am in agreement that the complaints raised in September 2024 and January 2025 do relate to the same issues, and came to the conclusion that the complaints should be merged. Both parties were made aware of this.

Aegon responded to confirm their acceptance of the complaints being merged. Mr W also agreed with merging the complaints, however added additional information in relation to his more recent experience with Aegon. This additional information suggests Mr W has now experienced new and different issues with Aegon. Aegon have not yet had the opportunity to provide a formal resolution to Mr W's new concerns which although linked to the original issue, are not simply an extension of the issues and complaints previously raised with Aegon and subsequently forwarded to this service. It would not be reasonable for me to respond to points that have not already been formally raised with Aegon, therefore if Mr W wishes to take this new complaint further, he must raise a complaint with Aegon in the first instance.

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 am satisfied that my provisional response covers the complaint points in both Mr W's previous complaints, that is, the ongoing and prolonged online systems access issues, and the poor service received and delays encountered by Mr W when trying to contact Aegon to obtain the information he required in relation to his pension. This final decision is therefore in respect of both complaints.

I am of the understanding that online services have now resumed, therefore I am satisfied that the award of £1,000 previously made is fair, and reflects the unavailability of the online access to Mr W's pension and the poor levels of service received by Mr W when trying to obtain policy information during this period of unavailability since August 2024.

As neither party have raised additional information in relation to the complaint points previously addressed, I see no reason to change my mind. It follows that I uphold this complaint.

Putting things right

Aegon should pay Mr W a total of £1,000 to reflect the inconvenience caused by the issues he experienced. This amount takes into account the amount that Aegon had previously offered, and the additional period of time that the service was unavailable to Mr W since it was offered along with the poor service received when obtaining information during this time.

I am aware that Aegon have already paid a total of £500 (in two separate payments of £250 on 18 December 2024 and 4 June 2025) to Mr W, therefore they must pay an additional £500.

My final decision

I uphold the complaint. My final decision is that Scottish Equitable Plc trading as Aegon should pay a total of £1,000 to Mr W to reflect the inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 19 September 2025.

Joanne Molloy
Ombudsman