

The complaint

Mr C complains that Aviva Life & Pensions UK Limited (“Aviva”) treated him unfairly by refusing his request to take benefits from his pension savings before the end of the tax year.

What happened

Mr C holds pension savings with Aviva. On 1 April 2025 Mr C asked to make a withdrawal from his pension savings before the end of the tax year, three days later. Aviva told Mr C that it would be unable to process his requested withdrawal as the deadline it set for the receipt of instructions of this nature had passed. It repeated that information to Mr C when it received his complaint. Unhappy with that response Mr C asked us to look at what had happened.

Mr C’s complaint has been assessed by one of our investigators. The investigator said that it was common industry practice for deadlines to be imposed at busy processing times such as the end of the tax year. So, the investigator didn’t think Aviva had acted unreasonably in refusing to process Mr C’s withdrawal request. The investigator didn’t think the complaint should be upheld.

Mr C 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 C 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.

Generally a business is free to decide the basis on which it will offer its services to consumers. Clearly those services need to meet the expectations of the regulator and its rules. And consumers need to be provided with clear, and not misleading, information about how various products will operate. But subject to those caveats it would not normally be reasonable for me to dictate to a regulated business how it should operate its products.

The end of the tax year is an extremely busy period for pension providers as consumers seek to make use of annual allowances in respect of both contributions and withdrawals before tax year ends. It is not normally possible for pension providers to backdate transactions into an earlier tax year should they be unable to complete their processing activities in time. So, to prevent any problems with missed deadlines, providers will generally set deadlines by which instructions or payments need to be received in order for them to be applied to pension plans by the end of the tax year.

In the lead up to the end of the 2024-25 tax year Aviva published some information about its processing deadlines on various financial products on its website. I expect that the same information would have been provided had a consumer made a verbal request for information around that time.

In respect of one off pension withdrawals Aviva set its deadlines as the close of business on 20 March (if investments needed to be sold to make a payment) or 27 March (if sufficient pension savings were held in cash). I don't think those deadlines were excessive or out of line with those set by other pension providers.

Mr C called Aviva on 1 April to request the withdrawal of some of his pension savings. But on that call Aviva explained that his request had been made too late to be processed before the end of the tax year. I think that was in line with its published deadlines, and ensured that other customers who had made their requests in time, would not be at risk of their payments being delayed due to processing backlogs. It also ensured that Mr C wouldn't be disappointed should the request have been accepted and then not completed in time.

I understand how frustrating that situation was for Mr C. He feels very strongly that Aviva should be offering him an automated process to allow withdrawals and changes to his pension investments to be made much more quickly. And whilst that service might be something that Aviva is considering for the future, it isn't something that I think it should reasonably be required to offer. Should Mr C need that service in the future then he might need to consider whether Aviva is best placed to administer his pension savings.

I appreciate that this decision will be disappointing for Mr C. But I think that Aviva acted in line with its published deadlines for pension withdrawals in the lead up to the end of the tax year. I don't think it was unreasonable for Aviva to have those deadlines in place or that it treated Mr C unfairly. So I don't think the complaint should be upheld.

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 C to accept or reject my decision before 28 October 2025.

Paul Reilly
Ombudsman