

The complaint

Miss A complains that Elevate Portfolio Services Limited trading as abrdn Elevate (“Elevate”) has treated her unfairly when it exercised its discretion over the payment of some pension benefits following the death of her father.

What happened

Miss A’s father (who I will call Mr X) sadly passed away in June 2023. His death was sooner than expected and followed a short stay in hospital. Mr X held pension benefits with Elevate. At the time of his death Mr X was married and had two biological daughters (one of whom was Miss A) from a previous relationship.

Shortly before his death Mr X completed a new expression of wish (“EoW”) form nominating Miss A to receive all of his pension benefits. And he also signed a new will, that was witnessed by his ex-wife and recorded by a nurse at the hospital, also confirming that Miss A should receive all his pension benefits.

As is explained on the EoW form, the payment of any death benefits is solely at the discretion of the pension scheme trustees. In March 2024 Elevate confirmed to Miss A that the trustee panel had decided that 50% of Mr X’s pension benefits should be paid to her. Unhappy with that decision Miss A complained to Elevate.

Elevate didn’t agree with Miss A’s complaint. It said its panel had considered all the evidence that had been submitted in relation to the decision. And it confirmed that it was satisfied that the decision that had been reached was reasonable. So whilst it acknowledged how disappointing its decision would be for Miss A, it didn’t think the complaint should be upheld. Following that response Miss A continued to correspond with Elevate and asked for copies of the evidence that had been used. Elevate didn’t provide any meaningful response to Miss A’s requests. So Miss A asked us to look at her complaint.

At first Elevate failed to provide us with any information about the actions it had taken. So our investigator asked for that information to be provided. He also recommended that Elevate should pay Miss A £100 for the distress and inconvenience she had been caused by its failure to respond to her requests for more information about how it had reached its discretionary decision. Later Elevate did send us more information about the complaint. That allowed the investigator to be satisfied that it appeared Elevate had acted within the terms of the pension plan when considering who should receive the death benefits. But he still thought Elevate should pay the compensation he had recommended for how it had dealt with Miss A’s later enquiries.

Elevate accepted that assessment and I understand it has now paid the £100 compensation to Miss A. But Miss A 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 Miss A and by Elevate. 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.

I would first like to express my condolences to Miss A. I can understand what a difficult time this is for her, and I appreciate that the matters that form this complaint will have caused her some additional upset. I am sorry that I think it likely that my findings in this final decision will not help in that regard.

The rules of the pension scheme in which Mr X's benefits were held are set out in a "Deed of Amendment" made in April 2015. In particular section 18 refers to benefits payable after the death of a member and says;

18.1 On the death of a Member or a Survivor the Scheme Administrator shall apply the Member's or Survivor's Individual Funds for the benefit of such one or more of the Eligible Recipients and in such proportions and at such time or times and in such one or more of the ways set in Rule 18.2 as is prescribed in any specific provision regarding application or allocation of the individual Funds in these circumstances that is contained in the contractual arrangement made between the individual and the Scheme Administrator governing the individual's participation in the scheme and to the extent that no such provisions are applicable as the Scheme Administrator in its absolute discretion may determine (subject to Rule 20 and any other restrictions imposed by or under the Rules).

18.2 The ways referred to in Rule 18.1 are:

18.2.1 Payment of a lump sum death benefit

- (a) If at the time of the individual's death the Scheme Administrator is satisfied that the individual's Benefits are subject to a valid trust under which no beneficial interest in a benefit can be payable to the individual, the individual's estate or individual's legal personal representatives, to trustees of that trust; or*
- (b) If the condition in (a) is not satisfied, to the Eligible Recipient or to the trustees of any other trust (including any other pension scheme or any discretionary trust) for the benefit of persons including that Eligible Recipient;*

Essentially those rules allow the Scheme Administrator to decide how and to whom any death benefits should be paid. That isn't a decision that I would expect to interfere with. But it would be reasonable for me to ensure that the decision that has been taken was based on all the relevant information that should have been available to the trustees. But to be clear, even if I thought the trustees had failed to take account of the appropriate evidence, I would

not substitute my findings for theirs. At most I would ask the trustees to reconsider their decision to take account of the new evidence. And without any new evidence, as I think is the case here, it seems logical to me that no changes would be made to the decision the trustees previously reached in that case.

Our investigator set out in some detail the specific pieces of information that the trustees considered as part of the exercise of their discretion. That information included;

- The EoW that Mr X completed the day before his death.
- The notes taken of Mr X's final wishes and witnessed by Miss A's mother.
- Evidence from the doctor and nurses who cared for Mr X and recorded his final wishes.
- Information from Miss A about her relationship with her father.
- Information from Mr X's wife, including bank statements.
- Information from Mr X's financial advisor.

My role is not to decide who I think should receive the death benefits. So whilst I have great sympathy for the representations Miss A has made to us about why she thinks the decision reached by the trustees is incorrect, it is not appropriate for me to consider whether I would reach the same conclusion, or whether I think their decision is unfair.

From the evidence that Elevate has presented I am satisfied that the trustees had access to, and carefully considered, all the relevant information about Mr X and his wishes at the time of his death. I haven't seen anything that would make me think the trustees' decision was not one that could have been reached on a reasonable basis. So, I'm sorry to tell Miss A that in this final decision I will not be asking the trustees to reconsider their decision.

I have seen that Miss A has asked the trustees, and ourselves, whether she could take additional steps such as the registration of Mr X's will or the provision of his medical records in order to support her claim. But I don't think that would be necessary. There don't seem to be any concerns about the veracity of Miss A's evidence – simply that the trustees, when exercising their discretion, saw another beneficiary as having an equal claim. That was entirely the trustees' decision to reach.

It seems clear to me that, from the point that Elevate told Miss A of the trustees' decision, she was keen to understand more about how that decision had been reached. Whilst I of course accept that Elevate was somewhat restricted in what it could say in order to protect the privacy of the other beneficiary I don't think it handled Miss A's requests well enough. At the very least I think it should have confirmed that it had taken account of all the information Miss A had provided, including details of Mr X's last wishes recorded at the hospital.

I think that Elevate's failings will have caused some distress and inconvenience to Miss A. Our investigator recommended that she should be paid compensation in that regard of £100. And I have seen that Elevate says it has now paid that compensation to Miss A. Having thought about the awards I would normally make in circumstances such as these I am satisfied that the compensation Elevate has now paid is fair and reasonable. So I don't think any further compensation needs to be paid to Miss A.

As I said earlier, I appreciate that this decision will be upsetting for Miss A at what is already a very difficult time. But I am satisfied that Elevate reasonably considered all the relevant information when it exercised its discretion to decide who should receive the death benefits from Mr X's pension savings. So I don't think Elevate needs to take any further action.

My final decision

My final decision is that I uphold a part of Miss A's complaint. But I am satisfied that the compensation already paid to her by Elevate Portfolio Services Limited trading as abrdn Elevate is fair and reasonable, so no further actions are required.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 15 October 2025.

Paul Reilly
Ombudsman