

The complaint

Mrs K complains that Aviva Life & Pensions UK Limited failed to follow her request to pay a monthly cash income from her investment bond.

What happened

Mrs K holds two investment bonds with Aviva. In October 2024, she elected to take a monthly withdrawal from each to supplement her income as she'd recently retired. Aviva actioned Mrs K's request on the first bond, but explained that prior to actioning the request on her second bond, they needed her to provide them with a full bank statement. Mrs K promptly sent Aviva a copy of her bank statement but redacted much of the information as she didn't wish them to see how she'd been spending her monies.

Aviva asked Mrs K on a number of occasions for copies of a bank statement that wasn't redacted. However, Mrs K didn't wish to supply them with an unredacted copy, as she felt that in her opinion, supplying the first page which showed her name, sort code and account number was sufficient. Mrs K also provided Aviva with a copy of her passport and driving licence, which Aviva asked for to update their anti-money laundering records.

Shortly afterwards, Mrs K decided to formally complain to Aviva. In summary, she said that their request for a full, unredacted copy of her bank statement was excessive and not necessary.

After reviewing Mrs K's complaint, Aviva concluded they were satisfied they'd done nothing wrong. They also said, in summary, that they are legally required to verify her bank account so that they can satisfy anti-money laundering legislation. That's because, they say, bank statements must show a minimum of five days' worth of transactions. Aviva explained that they were however upholding her complaint in part because they'd not provided a response to her letter to them of 27 January 2025 asking for an update on the withdrawal. Aviva also stated that they were paying her £25 to apologise for that oversight.

Mrs K was unhappy with Aviva's response, so she referred her complaint to this service. In summary, she said that she was unhappy Aviva weren't prepared to action her investment bond withdrawal request without first seeing an unredacted copy of her bank statement. Mrs K went on to say that given the account was in joint names with her husband, their request was totally unnecessary for their requirements and she found it unreasonable, oppressive and a gross invasion of her personal affairs.

The complaint was then considered by one of our Investigators. He concluded that Aviva hadn't treated Mrs K fairly because he couldn't see any reason why they'd accepted a withdrawal request on one investment bond without the need for a bank statement but wouldn't accept a withdrawal request on the other. Our investigator felt that as Aviva would hold information securely, it was within Mrs K's power to resolve this issue by providing a full bank statement to them so he didn't feel that any further compensation should be payable to her. He recommended that Aviva start Mrs K's income request promptly.

Mrs K, however, disagreed with our Investigator's findings. In summary, she said:

- She found it difficult to understand why an award hadn't been made for the distress and inconvenience that Aviva had caused her if her complaint was being upheld.
- Had Aviva responded to her original request, this complaint would never have found its way to this service.
- The Investigator's view suggests that she's the author of her own misfortune.
- The demands made on her are an unreasonable invasion of her privacy.
- How she and her husband, who is named on the account, chose to spend their income is no business of Aviva's.

Our Investigator was not persuaded to change his view as he didn't believe Mrs K had presented any new arguments he'd not already considered or responded to. Unhappy with that outcome, Mrs K then asked the Investigator to pass the case to an Ombudsman for a decision.

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 have summarised this complaint in less detail than Mrs K 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.

My role is to consider the evidence presented by Mrs K and Aviva 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, having done so, I'm upholding Mrs K's complaint - I'll explain why below.

I can well understand Mrs K's reluctance to provide Aviva with a copy of her unredacted bank statement. She says it feels unreasonable, oppressive and a gross invasion of her personal affairs, particularly when she's had the investment since 1994. However, I think it would be useful to provide some much-needed context around Aviva's likely motivation for wanting to see more than just the account number and sort code on the statement.

All financial services organisations are obligated to undertake anti-money laundering (AML) checks both at the start of their relationship with the consumer and then on a regular, ongoing basis. Those regulations (particularly post 2017) have evolved significantly over a number of years; they set a very high bar that firms must reach to satisfy regulators that the withdrawal isn't, for example, part of a wider pattern of suspicious transactions and that it fits with the consumer's known financial profile. HMRC, for example, say that firms must ensure

activity presented within bank statements is credible and corresponds with what the firm knows about the customer. So, whilst I really do appreciate Mrs K's wish for privacy, Aviva needs to be comfortable that the destination of the funds is legitimate and they do also need to see the wider transactions on the statement to do so. And, when asking for a copy of a bank statement, Aviva's request does explain that "*Bank Statements must not be... ii) Redacted or amended*".

In such circumstances, I'd ordinarily conclude that I don't believe Aviva were being unreasonable in asking Mrs K for an unredacted statement - however, that's not that's quite the end of the matter. I say that because on one of the investment bonds Mrs K holds with Aviva, they didn't ask for a copy of a bank statement and started the withdrawals when asked but are refusing to do so on the other - so I can see why Mrs K is confused.

When asked to provide clarification on why they could pay an income on one but not the other, Aviva explained it's because Mrs K's other investment bond was taken out through a different provider and was part of a business book that they later acquired - so, it's an investment that they never originally arranged for Mrs K, but they now manage. From what Aviva have told this service, both investment bonds are administered in different parts of their business. And, when they'd tried to verify Mrs K for AML purposes (on the second bond), the bank account statement provided for anti-money laundering purposes failed the Nexis check (Nexis is a third-party piece of software that many financial services firms use to verify customers).

Aviva were asked on 21 July 2025, 5 August 2025 and 19 August 2025 to further explain why the other area in their business were able to accept the withdrawal request on the bond or share the terms and conditions that explained why further information might be needed on the legacy bond before a withdrawal could start. Whilst no further insight was provided explaining the diverging approaches to them needing a bank statement on one bond and not the other, Aviva did share the plan's terms.

I have looked at those original policy terms (that were written in 1992) that applied to Mrs K's plan (which she took out in 1994). Unsurprisingly, given the age of the plan and the limited AML rules that were in place back then, those terms don't cover the documentation requirements that Mrs K must satisfy when she wished to affect a withdrawal from her investment. But in any event, even if it did, they'd have been superseded by more recent AML regulations.

Given Aviva didn't sell Mrs K the bond in question, I can well understand their desire to want to ensure she holds the proper entitlement to the proceeds under the policy before making any payments to her, however as I understand it, they already hold details of her passport and driver's licence - she submitted them as part of the request.

I haven't seen any evidence to suggest that Aviva actioned Mrs K's first bond withdrawal request in error or that they did so by accident without first requesting a bank statement. But in any event, Aviva have already explained that each of the two bonds are administered in different parts of their business and from what I've seen, there appears to be limited understanding (certainly from the team that handle the legacy bond withdrawals) about what procedures the team that handle the non-legacy Aviva bond withdrawal requests follow. However, that lack of communication between the two teams shouldn't be to the detriment of a consumer.

Given the importance the regulator places on AML checks, I wouldn't ordinarily ask a business to deviate from the documentation evidence that they ask from their consumers which make up part of their checking procedures. However, we do expect a firm to act with consistency in their approach and be able to articulate any reasons for obvious double

standards. Therefore, as I've not been provided with a satisfactory answer around why one part of Aviva would action a withdrawal request (without having made any obvious errors), and the other part of the business wouldn't on what would appear to be an identical product, I require Aviva to start Mrs K's income withdrawals on her legacy investment bond immediately.

Given Aviva's inconsistent approach to how they've dealt with Mrs K's withdrawal request, aside from starting the legacy bond payments to her, I've gone on to think about what else they need to do to put things right for her. I fully understand Mrs K's strength of feeling about not wishing to provide a copy of her bank statement to Aviva – she's explained that the demands made on her are an unreasonable invasion of her privacy – but I don't agree. I am of the view that an unredacted statement request isn't unreasonable, and I'm satisfied that Aviva would use the statement only for the purpose for which it was being requested, and its retention would be in keeping with their data protection obligations. Whilst I've concluded that Aviva have been inconsistent in how they've approached Mrs K's withdrawal request, I also need to balance that with the fact that had she provided the unredacted statement in October 2024, she'd now be in receipt of her income.

Aviva asked Mrs K for a copy of an unredacted bank statement on 26 November 2024 and 11 December 2024 and again on the telephone on 17 December 2024, so I'm satisfied that she was asked on a sufficient number of occasions so had the opportunity to remedy matters.

Putting things right

Aviva should immediately commence the withdrawals on Mrs K's legacy investment bond.

Aviva explained that they were upholding Mrs K's complaint in part because they'd not provided a response to her letter to them of 27 January 2025, asking for an update on the withdrawal. Aviva also stated that they were paying her £25 to apologise for that oversight. I'm satisfied that the £25 Aviva have offered in light of the delay in responding to her letter is fair and reasonable in the circumstances. I therefore require Aviva to pay Mrs K the £25 if they've not already done so.

My final decision

I'm upholding Mrs K's complaint and require Aviva Life & Pensions UK Limited to put things right for her in the manner that I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 9 November 2025.

Simon Fox
Ombudsman