

## The complaint

Mr H complains that since 2001 Scottish Widows trading as Clerical Medical ('CM') has made various errors in its handling and payment of his pension, and in its customer service.

Mr H is supported in bringing this complaint by his wife Mrs H, and has at times also been guided and supported by a third party I'll call 'Mr R'. But for simplicity, I'll largely refer to all comments as being Mr H's, except where I think it's helpful to differentiate.

## What happened

In 1989, Mr H's occupational defined benefit ('DB') pension was transferred to a section 32 pension plan with CM which included a guaranteed minimum pension ('GMP').

In 2001, the financial adviser involved in the 1989 transfer paid a lump sum of £3,894.48 into Mr H's CM pension as redress for mis-selling it.

In 2018, Mr H reached age 60. After looking into retiring and accessing his pension benefits, he complained to CM that the paperwork previously provided said his pension would be payable from age 60 but CM was now refusing to pay it until he reached age 65. Unhappy with CM's response to this complaint, Mr H referred it to our Service. One of our Investigator's considered it but in May 2018 they told Mr H they didn't uphold it.

In April 2023, Mr H was approaching age 65 so he and Mrs H called CM to check his pension values and start the claim process. Mr H, through Mrs H and Mr R, then raised a series of complaint points to CM. He was unhappy with how it had handled the April 2023 calls and how long it then took to answer his queries, that it had relied on 'undisclosed small print' to deny his pension at age 60, that the redress payment had grown at a low rate, that it hadn't been supportive or transparent enough from 2001 when it had found out he'd been a victim of pension mis-selling. Mr H also asked CM questions, including why the redress growth was so low, whether he could expect his pension to increase, what fees he'd been charged, and who the scheme trustee and administrators were. He also submitted a data subject access request ('DSAR') to CM.

On 4 August 2023, CM issued a final response letter ('FRL'), which in summary said:

- CM had provided poor service in the April 2023 calls and could have expanded on what it then sent to help Mr H better understand his pension.
- His pension was now being paid. CM explained how it worked, including that only part of it would increase annually whereas the rest would stay the same.
- In 2001, CM was instructed to invest the redress payment of £3,894.48 into 'With Profits' funds. CM explained how With Profits funds worked.
- To support Mr H and Mrs H given their overall experience, CM would produce the specific historic information they'd asked for about his pension, including the redress payment's growth, what happened in 2018 when he was denied his pension, what original information meant not all of his pension would increase annually, and why his pension had started to be switched from With Profits to 'Cash' funds.
- Though it hadn't communicated well with Mr H about this, CM had now applied his

letters of authority ('LOA') in respect of his new financial adviser and Mrs H.

- CM had passed Mr H's queries about its DSAR response to the relevant team and would also provide call recordings not already sent under the DSAR.
- CM would pay Mr H £350 compensation for the distress he'd been caused by its poor service.
- If Mr H didn't agree with this FRL, he had the right to refer his complaint to our Service but must do so within six months of the date of this FRL.

Mrs H gave CM additional information about what she saw to be its poor service, and she wanted to understand how Mr H's pension had been invested from the start, how it came to be switched from a With Profits fund to a Cash fund and how this switch was communicated.

So on 1 December 2023 CM issued a second FRL which in summary said:

- CM had reviewed the complaint in its entirety and changed its decision. It apologised for the poor service and delays in April 2023, and increased its offer of compensation for this to £850, plus a further £79.18 of interest for not paying Mr H's pension from 11 May 2023 as it should've.
- It explained why Mr H's pension began switching to Cash funds in 2018 and said it had informed Mr H's appointed financial adviser of the switch at the time. CM also explained how Cash funds worked.
- CM explained that the 2001 redress payment was included within Mr H's pension (though separate from the main part) and was ringfenced for inclusion with his tax free cash on settlement of his overall retirement claim.
- It explained why Mr H's pension hadn't been paid from age 60 as he'd expected; in 2018, the fund value had been running a shortfall so the GMP wasn't available to be paid to Mr H then. CM explained how the GMP worked.
- It accepted Mrs H's suggestions regarding how it responded to DSARs, and agreed to send future letters about this complaint by recorded delivery to Mr H and Mrs H.
- If Mr H and Mrs H didn't agree with this FRL, they had the right to refer this complaint to our Service but must do so within six months of the date of this FRL.

It appears Mr H and Mrs H had further contact with CM because they were unhappy with its FRL of 1 December 2023, and unhappy with how long it had taken to provide information about Mr H's pension. So CM issued a third FRL on 13 September 2024 which in summary said:

- It had not changed its mind about the complaint points it had already addressed in its 1 December 2023 FRL.
- But it upheld Mr H's new complaint point about taking too long to share the original pension startup paperwork, so it would pay £350 into Mr H's bank account for this.
- It enclosed the pension startup paperwork, plus a With Profits Fund Summary and Factsheet and historic annual values of his pension. CM explained his pension's value had grown steadily until it began switching to Cash in 2018 and explained why growth then slowed.
- It set out and explained the fees and charges applied to Mr H's pension, and said these had been shown on the statements it had sent each year.
- If Mr H and Mrs H didn't agree with this FRL, they had the right to refer this complaint to our Service but must do so within six months of the date of this FRL.

It appears Mr H and Mrs H sought support about their concerns from Mr R, and Mr H provided CM with a signed LOA for Mr R's involvement. They also asked CM to explain the performance of the 2001 redress and thought CM hadn't properly applied the LOA for Mr R.

On 4 March 2025, CM issued a fourth FRL. It sent this to Mr R and in summary it said:

- CM gave Mr H and Mrs H conflicting information about its requirements for accepting the LOA regarding Mr R. So it would pay £150 compensation into their bank account for the confusion and frustration this had caused.
- CM explained how Mr H's pension and its investments had come about. It repeated the previous explanations it had given regarding Mr H's pension not being paid at age 60, what the 2001 redress amount was and how CM had treated it, why his pension switched funds and how it had communicated this, its fees and charges, and how the GMP, With Profit and Cash funds worked.
- Mr H's pension had performed in line with the relevant sector benchmark fund.
- If Mr H and Mrs H didn't agree with this FRL, they had the right to refer this complaint to our Service but must do so within six months of the date of this FRL.

In April 2025, Mr R told CM that after discussing its March 2025 FRL with Mr H and Mrs H, Mr R now considered the matter closed.

But in June 2025, Mrs H contacted CM. She said that because of Mr R's help and input they now understood CM couldn't have foreseen things like the 2008 financial crisis, so the growth of Mr H's pension was no longer a point of dispute and could now be put 'to bed'. However, she and Mr H still had some concerns about his pension and she repeated several of the points previously addressed by CM in its FRLs.

CM issued a fifth FRL on 17 June 2025. In summary, this said:

- It had already responded to these concerns in its FRLs of August 2023, December 2023, September 2024 and March 2025, and Mrs H's further information didn't change CM's position.
- It sent the March 2025 FRL to Mr R and their Member of Parliament (who Mr H and Mrs H had involved), and had expected them to forward the FRL to Mr H and Mrs H.
- It had previously informed Mr H and Mrs H of their right to refer their concerns to our Service, but they must do so within six months of the date of CM's previous FRL of 4 March 2025 – so by 3 September 2025.

Mr H and Mrs H came to our Service in June 2025. They told us that they'd not come to us sooner because their complaint to CM had been a continuous process for a number of years, and they'd discovered elements along the way which they then complained about. That there had been delay upon delay by CM, and its more recent poor service included sending them links that couldn't be opened and using flimsy envelopes that meant documents arrived ripped open. But what they were particularly unhappy about and wanted our Service to consider was, in summary, that:

- All the original paperwork said Mr H's expected retirement date was age 60 but he wasn't paid it until age 65, and it would've helped them when they lost their jobs in 2020. And as Mrs H was more experienced with administrative tasks than Mr H, she'd dealt with these matters for him and had spent hundreds of hours trying to resolve all of their concerns through calls, letters and emails to CM - including when she had very significant health difficulties.
- Despite being told the 2001 redress payment would be held separately, CM wouldn't pay it to him in 2018 at age 60 unless he 'forfeited' the GMP part of his pension by transferring out.
- In 2023, they discovered Mrs H's pension payments will hardly increase.
- CM didn't look after them as it should have from 2001 onwards, as it then knew they were 'potentially financially vulnerable' as victims of pension mis-selling. CM

should've checked Mr H understood his pension and when it would be payable, and ensured he had all the documents CM later relied on to deny his pension in 2018 and to only allow small annual increases.

One of our Investigators said Mr H's complaint point about the delay in paying his pension and redress had already been considered by our Service in 2018, so we wouldn't look at this again. And that many of his other complaints points didn't fall within our jurisdiction, either because they'd been brought too late under the six-month time limit rule or because only Mr H was an eligible complainant here, not Mrs H.

However, our Investigator thought some of Mr H's complaint points were within our jurisdiction: the handling of the LOA regarding Mr R; the service provided to Mr H after the September 2024 FRL was issued; and, the performance of Mr H's pension. After considering the merits of these, our Investigator thought the pension's performance hadn't been affected by any error of CM's. But that CM had given Mr H some poor service from September 2024 onwards, including in its handling of the LOA regarding Mr R, and this had caused Mr H further, compounded, distress for which CM should pay him a further £200 compensation in addition to the £150 it had already paid, to bring the total compensation to £350.

CM agreed to this. But Mr H didn't entirely agree as he thought the compensation didn't reflect the impact on him. He gave more detail about CM's recent poor service, including that he'd waited for letters that never arrived or hadn't been sent by recorded delivery as promised. And said these issues had dominated their lives for the last few years, as they only had small pensions and he'd been distressed to see Mrs H spend so much time and effort on this matter when they should have been enjoying their retirement together. Mr H also wanted us to clarify why we could only consider the complaint points he'd raised after September 2024. And said CM had assured him the complaint time frame wouldn't be compromised by him asking further questions that arose from the ongoing concerns he raised, and he'd contacted us within six months of CM's March 2025 FRL. And even now, CM hadn't responded to several issues with accessing the information it had provided.

Our Investigator again explained the time limit rules but ultimately didn't change his view of Mr H's complaint.

As agreement couldn't be reached, this complaint was passed to me and I think I have all the information necessary to make my decision.

## **What I've decided – and why**

### Jurisdiction

I'd like to start by saying how sorry I was to hear about Mrs H's health difficulties and about Mr H and Mrs H losing their jobs in 2020. And I acknowledge what they've told us about managing on small pensions. So I can appreciate why Mr H and Mrs H want our Service to consider the merits of the complaint points they feel are most important to them.

But our Service doesn't have a free hand to consider every complaint brought to us. Instead, we must follow the Dispute Resolution ('DISP') rules set out by the regulator, the Financial Conduct Authority. These set out the circumstances in which our Service can and can't consider the merits of a complaint – in other words, our jurisdiction.

Whether something falls within our jurisdiction is dependent on several factors. And the first relevant factor in this case is who is eligible to bring this complaint. Mrs H can of course support Mr H, but I note that some of the complaints points raised and the compensation CM has paid have been about the distress and inconvenience caused to Mrs H in her own right.

Whether a person is an eligible complainant is set out in DISP 2.7. And I'm satisfied that Mrs H is not an eligible complainant here. I accept that CM at times chose to deal with her as Mr H's representative and chose to compensate her for what it saw to be the poor service it had provided her with. And I acknowledge that she appears to have spent time and effort here. But this does not change the fact that Mrs H is not herself a customer of CM here or the true owner of the pension in question. For similar reasons, Mr R is not an eligible complainant here either. Instead, I'm satisfied that Mr H is the only eligible complainant in this matter, and so our Service can only consider any financial loss, distress or inconvenience that CM has caused to him.

The second relevant factor in this case is the time limits for bringing a complaint to our Service. These are set out in DISP 2.8. And DISP 2.8.2R includes that, unless a business consents, our Service cannot consider a complaint if it's been referred to us,

- (1) *more than six months after the date on which the respondent sent the complainant its final response, redress determination or summary resolution communication;*

*unless:*

- (3) *in the view of the Ombudsman, the failure to comply with the time limits in DISP 2.8.2 R... was as a result of exceptional circumstances;*

In 2018, Mr H complained that despite the original paperwork saying his pension would be paid from age 60, CM was now refusing to pay it until age 65. Mr H brought this complaint to our Service at that time and I've seen that in May 2018 one of our Investigator's told Mr H they didn't uphold it. I've not seen that Mr H then asked for this complaint to be referred for an Ombudsman's decision, or that an Ombudsman made a decision on it.

Instead, Mr H raised this complaint point again with CM five years later, in 2023, and CM addressed it in its December 2023 FRL by explaining why his pension hadn't been paid to him from age 60 – the same explanation CM gave our Service in 2018. But Mr H then didn't refer this complaint point to our Service until June 2025, which is more than six months after CM's December 2023 FRL. So even if I were to disregard that our Service has already considered this complaint point several years ago and to also simply accept that CM's December 2023 FRL had 're-set' the six-month time limit, Mr H has in any case now referred it to our Service outside the six-month time limit.

Similarly, I think that all of the complaints points that CM addressed in its FRLs dated August 2023, December 2023 and September 2024 have been referred to our Service outside the six-month time limit. These include the complaint points Mr H particularly wants our Service to consider, i.e. how CM treated the 2001 redress payment, his pension not being paid from age 60 as expected, his pension not increasing annually as expected, and CM not doing more in 2001 to ensure he understood his pension. I say this because Mr H raised these complaint points with CM across 2023 and 2024, and CM then addressed them in its FRLs dated August 2023, December 2023 and September 2024. And Mr H didn't refer those complaints points to our Service until June 2025.

I've thought about whether CM's FRLs of August 2023, December 2023 and September 2024 meet the definition of a 'final response' as set out in DISP 1.6.2R at that time, and I think they do. I say this because all of them were: a written response from CM that either upheld or rejected the various complaint points and gave reasons for doing so; enclosed a leaflet for our Service and gave our website address; told Mr H that if he remained dissatisfied with CM's response, he may refer his complaint to our Service but would need to do so within six months; and, indicated that CM didn't consent to waive the relevant time

limits. Therefore, I think CM's FRLs of August 2023, December 2023 and September 2024 were all final responses which started the six-month time limit for each.

I note what Mr H says about the complaint process being a journey of discovery, that CM assured him the time limits weren't compromised by him asking further questions arising from his existing concerns, and that he contacted us within six months of CM's March 2025 FRL.

For clarity, each FRL started its own six-month time limit for bringing the concerns addressed within that FRL to our Service. I don't think any of the FRLs withdrew the previous FRL, either expressly or by implication. And I've not seen any evidence to support Mr H's claim that CM assured him the time limits wouldn't be compromised. Instead, each of these FRLs made it clear that if Mr H was not happy with the response that individual FRL contained, he could refer the matter to our Service but he had to do so within six months of the date of that specific FRL. So I've not seen anything to make me think that the six-month time limits started by the August 2023, December 2023 or September 2024 FRLs were paused or withdrawn in any way. Therefore, based on the evidence I've seen, I think each of these FRLs made clear that Mr H had six months within which to refer that FRL to our Service. And I've seen that CM posted each of these FRLs to Mr H, or to Mrs H as his representative, at the correct address. So I'm satisfied CM sent these FRLs correctly to Mr H.

Further, I've not seen that the six-month time limits started by each of the August 2023, December 2023 or September 2024 FRLs were re-set by CM's later FRLs of March 2025 and June 2025. I say this because in those later FRLs, CM didn't re-investigate or change its position on the complaint points it had already addressed in the three earlier FRLs.

CM hasn't consented to our Service considering the complaint points addressed in its first three FRLs dated August 2023, December 2023 and September 2024. So, we could only consider their merits if I thought there were exceptional circumstances that had prevented Mr H from referring those complaint points to our Service within six months of the FRL that had addressed them.

I've carefully considered what we've been told about Mrs H's health difficulties and both Mr H and Mrs H losing their jobs in 2020, and I don't underestimate the seriousness or impact of those things. However, the evidence is that these difficulties did not prevent either Mr H himself, or Mrs H as his representative, from continuing to communicate with CM, and communicating with Mr R, about Mr H's pension across 2023, 2024 and 2025.

I've also carefully considered what Mr H has said about not coming to our Service sooner because CM assured him that the time limits wouldn't be compromised by him asking further questions. I accept that CM continued to engage with Mr H (or his representative(s)) when he raised new issues. But I'm not persuaded it was reasonable for Mr H to think this meant the time limits wouldn't apply. Because, as I've explained, I've not seen any evidence to support Mr H's claim that CM assured him the time limits wouldn't be compromised; instead, I've seen that each of the August 2023, December 2023 and September 2024 FRLs made clear that if Mr H wasn't happy with its response in that individual FRL, he could refer the matter to our Service but had to do so within six months of the date of that specific FRL.

For these reasons, I can't reasonably conclude Mr H was prevented from bringing the complaint points addressed in CM's FRLs of August 2023, December 2023 and September 2024 to our Service within the six-month time limit for each of those FRLs. So while I know this isn't the answer Mr H wanted, I'm satisfied our Service doesn't have the power to consider these complaint points.

However, I'm satisfied that some of Mr H's other complaint points do fall within our jurisdiction, because he's referred them to our Service within six months of the FRLs dated March and June 2025 that addressed them, and I've not seen any other jurisdiction issue that means our Service can't consider their merits. The complaint points our Service can consider include the performance of Mr H's pension and CM's handling of his LOA regarding Mr R.

I know these aren't the main points Mr H wanted our Service to consider. But for completeness, I've considered their merits, as I'll now turn to.

### The merits

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

I've also taken into account relevant law and regulations, Regulator's rules, guidance and standards and codes of practice, and what I consider to have been good industry practice at the time. This includes the Principles for Businesses ('PRIN') and the Conduct of Business Sourcebook ('COBS'). And where the evidence is incomplete, inconclusive or contradictory, I reach my conclusions on the balance of probabilities – that is, what I think is more likely than not to have happened based on the available evidence and the wider surrounding circumstances.

Turning first to the performance of Mr H's pension, I note Mrs H told CM in June 2025 that this is no longer in dispute. But for completeness, I've not seen anything to make me think the performance of Mr H's pension was negatively impacted by any error of CM's. Instead, the evidence is that it appears to have achieved similar returns to the appropriate benchmark indices, indicating it didn't perform any worse than comparable funds. So, I don't think CM needs to do anything further on this point.

But I do think CM has given Mr H some further poor service. Mrs H, on Mr H's behalf, has referred to links that couldn't be opened, flimsy envelopes that meant documents arrived ripped open, and letters that never arrived or hadn't been sent by recorded delivery as promised. Though Mr H says these things happened more recently, it's not clear to me when these happened or to what extent the mail service may or may not have been responsible for some of them.

But in any case, CM itself accepts it didn't handle Mr H's LOA request regarding Mr R as it should have and I think this would in and of itself have caused Mr H some frustration and concern, given that Mr H clearly wanted Mr R to be in a position to be able to support him and act for him.

And I'm mindful that this followed a series of earlier errors that CM has previously accepted it made and for which it has compensated Mr H. As I've already explained, our Service can't consider those earlier errors because they don't fall within our jurisdiction. But I do think they mean CM then not handling this LOA properly had a greater impact on Mr H than it otherwise would've done in isolation. And while I think Mrs H's involvement has largely shielded Mr H from inconvenience, I accept he'd still have been frustrated and disappointed that he wasn't able to instead spend that time with Mrs H enjoying their retirement. Taking everything into account, I think a total of £350 is fair and reasonable compensation for the distress CM has caused Mr H here.

### **My final decision**

For the reasons set out above, most of the matters brought to our Service here are not matters that fall within our jurisdiction and so our Service cannot consider them.

But Mr H's complaint points about the performance of his pension and the more recent service he was given including how Scottish Widows trading as Clerical Medical handled his LOA regarding Mr R, do fall within our Service's jurisdiction. And having considered the merits of these points, I uphold Mr H's complaint in part. To put things right Scottish Widows trading as Clerical Medical should pay Mr H an additional £200 in compensation, to bring the total compensation for this to £350.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 26 November 2025.

Ailsa Wiltshire  
**Ombudsman**