

The complaint

Mr R has complained that Scottish Widows Limited linked his details to another customer's pension policy. As a result, he's received information about a pension belonging to another person with the same name.

Mr R has said this has been extremely stressful and time-consuming to resolve, particularly as he's had to raise repeated complaints over a number of years (to multiple businesses).

What happened

The investigator who considered this matter set out the background to the complaint in her assessment of the case. I'm broadly setting out the same timeline and background below, with some amendments for the purposes of this decision.

March 2003 - June 2006: Mr R held a Level Term Assurance plan with Scottish Widows.

November 2024: Mr R's financial adviser contacted Scottish Widows for information and received pension policy details that belonged to another customer with the same name.

January 2025: Mr R contacted Scottish Widows directly. His concerns weren't fully investigated at that time.

29 April 2025: Mr R raised a complaint online after not receiving a resolution.

3 June 2025: Scottish Widows issued its final response letter. It confirmed the mix-up, explained that Mr R had never had a pension with it, and offered £300 compensation.

Mr R has previously raised a complaint with Bank of Scotland about incorrect address and credit file information caused by related errors in Lloyds Banking Group's system. Bank of Scotland upheld the complaint and paid £1,100 compensation.

Although Scottish Widows and Bank of Scotland are both part of Lloyds Banking Group, Scottish Widows have confirmed these are separate issues as follows:

- Bank of Scotland's redress related solely to the address/credit file errors.
- Scottish Widows' £300 offer was solely in respect of the pension record mix-up and disclosure of another individual's details to Mr R's adviser.

Having considered the matter, the investigator set out her assessment, saying the following in summary:

- The key issues to assess in this case were whether Scottish Widows failed to keep accurate and secure records of Mr R's information, whether Scottish Widows acted promptly and fairly once Mr R raised his concerns, and whether the £300 offered was fair compensation for the impact of this error.

- Scottish Widows is regulated by the Financial Conduct Authority (FCA) and must follow its rules, including the Principles of Businesses, as follows:
 - Principle 6 – Customers’ interests: A firm must pay due regard to the interests of its customers and treat them fairly.
 - Principle 7 – Communications with clients: A firm must pay due regard to the information needs of its clients and communicate information that is clear, fair, and not misleading.
- Scottish Widows also had obligations under data protection law (UK GDPR) to keep personal data accurate and secure. While this service can’t enforce GDPR directly, these obligations overlap with the FCA’s requirements that a business treat customers fairly and handle information carefully.
- Scottish Widows should therefore have done the following:
 - Maintain accurate records for Mr R and other customers.
 - Check key identifiers, such as National Insurance numbers, date of birth, before linking pension policies to customer records.
 - Take Mr R’ concerns seriously when he first raised them and investigate them thoroughly at the earliest opportunity.
 - Provide clear explanations and updates throughout the process.
- Had Scottish Widows done this, the wrong pension information would never have been sent to Mr R or his adviser, and the distress caused could have been avoided.
- In terms of the impact to Mr R, Scottish Widows’ mistake meant that, for a while, Mr R thought he held a pension policy with them, when he did not. His financial adviser also received another customer’s pensions details, which caused confusion about Mr R’s retirement planning.
- Mr R had to spend significant time and effort chasing responses and escalating the complaint, which caused him stress and upset. Mr R was also frustrated to receive a cheque for £300 before receiving a full explanation of what had happened – this understandably added to his sense of being dismissed rather than supported.
- Mr R had also said that he had difficulties when trying to buy a house and that there was a wider impact on his credit file. However, these matters were dealt with in his complaint to Bank of Scotland, which had already paid £1,100 compensation. And so those issues were outside of the scope of this complaint.
- Scottish Widows had confirmed that Mr R’s own personal data was never shared with anyone else. Instead, another customer’s pension information was wrongly linked to Mr R and sent to his adviser. This was still a serious error, but it was important to be clear that Mr R’s own data security wasn’t breached.
- Scottish Widows had admitted fault, apologised and offered £300 compensation. In deciding whether this was fair, the investigator had considered the seriousness of the error (sending another customer’s confidential pension information to Mr R’s adviser), the length of time the issue persisted, along with the repeated chasing by Mr R, and the clear distress and inconvenience the matter had caused.

- This would have been upsetting for Mr R, but Scottish Widows had now corrected its records and confirmed that there would be no further correspondence about another person's pension policy. And the wider issues with Mr R's credit file and mortgage were resolved by Bank of Scotland and compensated for separately.
- Having considered all the evidence, the investigator said that she was satisfied that the £300 offered was fair and reasonable in recognition of the distress and inconvenience caused by Scottish Widows. Mr R never held a pension with Scottish Widows but for a period of time, he thought he did because of this incorrect information. Therefore, £300 was fair in respect of the loss of expectation.
- If Mr R believed Scottish Widows hadn't complied with UK GDPR, he would need to raise this matter with the Information Commissioners Office (ICO), which regulates data protection. The ICO doesn't award compensation but may be able to investigate how Scottish Widows handled the information.

In response, Mr R said the following in summary:

- He'd been provided with – and currently had unrestricted access to – another client's highly sensitive personal and financial information, including private pension details, bank loans, credit cards, and car finance agreements. This was an extraordinary and disgraceful breach of confidentiality.
- He would also be notifying the affected individual of this incident, as they had the right to know that their data had been compromised in such a shocking manner.
- This wasn't a matter which he would allow to be brushed aside. He would be escalating this formally, including contacting the Information Commissioner's Office (ICO), and he would also be raising this publicly through his media and press contacts.
- Mr R asked the investigator to confirm the immediate steps she would be taking to contain this breach and prevent recurrence.

The investigator responded as follows:

- She understood how upsetting and stressful this situation had been for Mr R, particularly given the sensitivity of the information involved.
- But whilst she appreciated the strength of Mr R's concerns, she wanted to ensure that Mr R was clear about what this service could and couldn't look at.
- Our role was to consider complaints from individuals who believed they'd been treated unfairly by a financial business. In this case, she'd looked solely at Mr R's experience – how Scottish Widows' actions directly affected him, and whether its handling of the complaint and its offer of £300 compensation was fair.
- She couldn't consider the position of the other customer whose information Mr R received – and Mr R couldn't be compensated on their behalf. If that individual had concerns about how Scottish Widows handled their personal data, they would need to raise their own complaint with the business first and, if necessary, bring their complaint to this service separately.

- Mr R had raised serious concerns about a potential breach of data productions rules. As previously explained, whilst this service could consider the upset and inconvenience that this matter had caused Mr R, it couldn't investigate whether Scottish widows had breached GDPR or data protection law. Mr R would need to contact the ICO for this.

Mr R remained dissatisfied, however, saying the following in summary:

- He had documented evidence from Scottish Widows itself confirming that he held a pension with it. His financial adviser's request for information was made solely on that basis. It was only as a direct result of this legitimate enquiry that he became aware of the breach and gained full access to another customer's highly sensitive personal and financial data beyond the initial dispute with Bank of Scotland settled last year.
- Had he not instructed a financial adviser to review his pension arrangements, he would have been completely unaware that his private data – and that of another individual – had been so severely compromised. This demonstrated that the breach wasn't incidental or irrelevant to him, but arose only because of his relationship with Scottish Widows as an existing customer.
- To suggest that the complaint should be viewed only in terms of "upset and inconvenience" was deeply concerning. This was a matter of trust, accountability, and compliance with fundamental data protection obligations. Attempting to reduce the seriousness of what had occurred to a monetary inconvenience was unacceptable.
- He required confirmation that his evidence had been reviewed and properly considered as part of this complaint, a clear explanation as to how Scottish Widows intended to remediate this breach beyond the token gesture of £300 compensation, and an escalation of this case beyond the initial inquiry for a full and independent review, given the significant mischaracterisation of the issues at hand.
- He was also preparing a formal submission to the ICO regarding this matter, supported by the evidence he held. He would also reserve the right to share this with his media and press contacts.

The investigator responded as follows:

- Mr R didn't hold a pension with Scottish Widows - and never had. He'd received someone else's pension information, but his information was never shared with anyone else. Therefore, the only aspect this service could consider was the distress and inconvenience caused to Mr R by receiving someone else's information.
- If the other individual (whose information he received) was unhappy, they would need to raise their own complaint.
- As previously explained, Scottish Widows had updated its records and going forward Mr R would not be receiving information relating to anyone else. In terms of Mr R's comment about how Scottish Widows intended to remediate the breach, this service was an independent organisation that looks into complaints about financial businesses. We don't have the power to take action to fix a business's systems or processes. Instead, we review what's happened and decide whether the business has treated a complainant fairly.

Mr R responded to say the following in summary:

- He appreciated that our service didn't have the authority to remediate Scottish Widows' internal processes, but it was critical to note that Scottish Widows was part of Lloyds Banking Group, which also included Bank of Scotland. This demonstrated that the current issue wasn't isolated, but directly linked to the previous dispute he raised with Bank of Scotland last year. In other words, this was a repeat data breach affecting the same financial network. Therefore, this issue would likely need to be escalated again based on the repeat offending and the links between companies, and it didn't inspire a great deal of confidence that this had been resolved.
- He would also be pulling a further report from his credit company due to this repeat issue. This wasn't a matter of mere "upset and inconvenience." It was a serious failure of data protection and compliance, arising directly from his ongoing financial relationship with Scottish Widows.
- Given the severity and repeat nature of the breach, he requested: acknowledgment that his 2016 pension documentation had been fully reviewed and considered as part of the investigation; clarification that, having been misled by a leading pension provider about a pension policy he didn't have warranted compensation of £300; escalation to a full and independent review of this matter, considering both the breach itself and its connection to his previous Bank of Scotland dispute.
- This situation concerned more than financial compensation. It was an ongoing breach of his data and another's which, until appropriately rectified, would continue to concern him.
- An organisation had informed him in writing that he'd held a pension for nine years and this had had a serious impact on his financial future as he'd since been told that this wasn't the case.

As agreement couldn't be reached on the matter, the investigator notified both parties that it would be referred to an ombudsman for review.

Mr R then offered to send in the policy documentation he'd received, but the investigator replied to say that, whilst it was open to Mr R to do so, this didn't relate to a pension product held by him.

Mr R said the following in response:

- He understood that the pension documents he received were sent to him in error and that he'd never held a pension with Scottish Widows.
- However, he was basing this on what the investigator had told him and not the evidence that he currently had in front of him to suggest otherwise.
- It was important to emphasise that this error resulted in him gaining access to another individual's highly sensitive personal and financial information. The ongoing administrative failures that had allowed this to occur over the last three years were deeply concerning and had caused significant distress and inconvenience.
- If indeed the paperwork wasn't his, he would return it to the appropriate policyholder.

The investigator responded as follows:

- The pension information was incorrectly sent to him in November 2024 – it hadn't been sent for the past three years. The other issues had been addressed within the previous complaint against Bank of Scotland complaint and so these wouldn't be re-addressed.
- Mr R gained access to pension information relating to another individual in November 2024, but this was in error – and his information wasn't shared with anyone else. The pension documentation that didn't belong to Mr R should be returned to Scottish Widows or disposed of securely.
- The compensation of £300 was in respect of issues since November 2024 - for the distress and inconvenience caused from this time. Even if the information was linked to Mr R's name prior to this, he couldn't be inconvenienced for something of which he wasn't aware.
- Given his comments about being told that the pension didn't belong to him whilst being in possession of documentation which suggested that it did, the investigator enquired as to whether Mr R was suggesting that he did in fact have a pension policy with Scottish Widows, and requested any corroborating evidence for this such as when the policy was established and the contributions which had been paid into it.

Mr R replied to say that he would ensure that the policy documents were returned to the policyholder. And regarding the pension payments, he said that the reason he engaged a financial adviser was to consolidate his pensions based on the information he held in his possession. He said that he had four statements, booklets, and letters, and so it was reasonable for him to assume that he held a pension with Scottish Widows.

Mr R added that many people are automatically enrolled in pensions and that, due to the pandemic, his employment had changed several times. He said that he was happy to investigate this further if needed.

As confirmed by the investigator to both parties, the matter has now been referred to me for review.

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.

And having done so, I've reached broadly the same conclusions as the investigator, and for similar reasons.

I've noted Mr R's comments about the matter going beyond simply a payment in respect of "distress and inconvenience" and that, given the links between the businesses with which he's been dealing, this should form part of a wider investigation.

And so, as with the investigator, it might be helpful for me to explain the remit of this service – we investigate individual complaints focusing on the experience of the complainant, and if something has gone wrong in that individual complaint, we'll seek to put matters right either through redressing actual financial loss or making an award in respect of the distress and inconvenience caused to the individual – and sometimes both. But we're unable to investigate wider concerns about a business' operation or require it to change its practices.

This means that we can't consider in this complaint the impact of the matter on the other individual concerned. Nor can we instigate a wider investigation into Scottish Widows' or Bank of Scotland's processes, or any GDPR breach. This would be up to the regulator (the Financial Conduct Authority) and the ICO respectively.

Instead, as set out above, our focus is on the impact this matter has had on Mr R. And I acknowledge that there will have been a loss of expectation for Mr R in learning that he didn't in fact hold a pension policy with Scottish Widows - but there's been no actual financial loss to Mr R as the pension policy in question belonged to another individual. And so, whilst recognition of the fact that he's been sent another policyholder's information is warranted, given that the policy information wasn't his, it doesn't need to be "reviewed" as such. The important point is that it shouldn't have been sent to Mr R in the first place.

It will of course have been alarming for Mr R to realise that he had been sent another individual's information, albeit his own information hasn't been shared with anyone else, and he would have been caused inconvenience in arranging to have this corrected.

But my understanding is that this has now been corrected and that Mr R won't be receiving the other policyholder's information in the future.

And so there is no actual financial loss to Mr R, and Scottish Widows has done what it needed to do ensure that the mistake won't be repeated.

There is then the matter of the compensation in respect of the distress and inconvenience caused to Mr R. When thinking about the type of compensation which would be appropriate, I ought to have regard for the types of award which this service would make in similar situations, and there's guidance on our website about this.

That guidance sets out that an award between £100 and £300 might be fair where there have been repeated small errors, or a larger single mistake, requiring a reasonable effort to sort out. These might typically result in an impact that lasts a few days, or even weeks, and cause either some distress, inconvenience, disappointment or loss of expectation.

I've considered what's happened here, how long the matter has been ongoing, and the effort required by Mr R to correct the matter, along with the loss of expectation caused by learning that the pension policy belonged to someone else. I've noted what Mr R has said about wanting to (quite understandably) establish the correct position with regard to his pension affairs, and since he became aware that the pension policy belonged to another policyholder, he'll have been in a position to do so. But given what's happened, I think an award at the top end of this bracket is appropriate.

And as set out previously, if Mr R wishes to pursue the matter of the business's operation and the data breach, he may do so with the relevant organisations.

In closing, and as I've said above, I think it's become reasonably clear that the pension for which Mr R was being sent documentation belongs to another policyholder, as was acknowledged by Mr R in his complaint email to Scottish widows in April 2025. Mr R noted that the middle name of the other policyholder was different, that there had been a mix up with another policyholder, and that he was being given access to that other policyholder's information.

But I've also noted what Mr R has said about the possibility of him being auto enrolled into a pension scheme through previous employments. If he considers that this this is the case, then I would recommend that he approach the relevant employers and establish where the contributions have been made. If there's evidence that he should have a policy or policies

with either Scottish Widows or other pension providers, and those providers have no record of this, then he'll be able to pursue that with them and if he remains dissatisfied with the response, refer the matter to either this service or the Pensions Ombudsman as appropriate.

My final decision

My final decision is that the amount of £300 in compensation is appropriate in this instance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 3 December 2025.

Philip Miller
Ombudsman