

The complaint

Mr H has complained to Aviva Life & Pensions UK Limited that it took too long to transfer his late wife's pension plans to a new income drawdown plan and that he's lost out on investment growth as a result.

What happened

Mr H's late wife had four pension plans with Aviva and another pension was held with Standard Life.

Mr H gave clear instructions for all five transfers to proceed in an email dated 12 December 2022. But it took over nine weeks to transfer the Standard Life pension, and then over 22 weeks to transfer three Aviva pensions (formerly Friends Life) - and over 26 weeks to transfer the final Aviva self-invested personal pension (SIPP).

Mr H made a detailed complaint on 24 June 2023 shortly after the final transfer had completed and said he was repeatedly told it was taking longer than normal to investigate.

Mr H said he was eventually contacted on 13 February 2024 and was told that his complaint hadn't been properly investigated.

Then there were two telephone calls on 21 February 2024 and 23 February 2024 in which a resolution was agreed in principle. Mr H received a letter dated 1 March 2024 confirming what had been discussed in the phone calls and that it would take a further 28 working days to resolve.

As nothing further happened, Mr H complained to Aviva's CEO on 10 June 2024. Although acknowledged, again nothing happened until August 2024 when he needed to chase Aviva for a response which eventually then on 25 October 2024 in the form of a second final response letter.

Mr H said that he had been affected by the lost opportunity to buy more units at a lower price, had the transfers completed in a timely fashion. He added he has found this all deeply upsetting following the untimely loss of his wife in July 2022.

Mr H then calculated that if the transfers had proceeded as they should have done, then he could have purchased 483.955 more units in his new pension plan. He said this was agreed in principle during telephone discussions in February 2024.

Aviva originally offered £1,000 as compensation for the delays and upset which Mr H was willing to accept in March 2024, provided the matter was resolved within the 28 day agreed timescale. As it wasn't, he asked for an additional £500, whereas Aviva offered an additional £250 in its final response.

The investigator set out a detailed timeline of what had happened, as follows:

2022

2 September - Aviva's bereavement team confirmed that no charges had been taken from 16 July 2022.

19 September - In Aviva's chronology, it had highlighted a phone call in which it was recorded by the call handler that Mr H *"called to set up one TFI inherited"* and then *"decided to do all three others while on phone with me"*.

5 December - Diligenta confirmed to the bereavements team that death benefits would be paid to Mr H.

12 December - Mr H emailed Aviva with completed transfer forms for four of the inherited funds to transfer to his new income drawdown plan. He apologised for the delay and said it had taken time to get a different part of Aviva to agree that a transfer of three funds to his new SIPP could proceed. He added that a fifth inherited plan, ending 341, should also be transferred.

2023

20 January - Aviva emailed Standard Life to request a transfer of the inherited pension.

6 February – Aviva's chronology indicated that funds were received from Standard Life.

16 March – An internal Aviva email indicated that £19,142.01 had been received for the pension transfer. It said that additional information required was to be received by 20 March 2023. The funds had to be returned on 8 February as the information wasn't provided.

15 May – An internal Aviva email indicated that £18,971.43 was received, but also said that information still needed to be received before the funds could be applied.

17 May - Aviva confirmed information for three Aviva funds.

22 May – An internal Aviva email confirmed that the Aviva SIPP was still outstanding.

23 May - An internal Aviva email regarding the Aviva SIPP said that *"we are waiting for the client to request sales to be placed to transfer his inherited pension. I can see [Mr H] has a pension with an expectation keyed, we only need to hear from him to let us know to place the sales to raise cash for the transfer to his account [ending 001]. Can you pass Mr H our email address and contact number please?"*

23 May - Mr H replied to say that he had already provided the required information in his instructions dated 12 December 2022.

24 June - Mr H wrote a detailed complaint to Aviva.

2024

13 Feb - Aviva informed Mr H that the complaint hadn't been dealt with properly. Its complaint handler said he would like to speak with Mr H.

1 March - Aviva confirmed it would do its own loss assessment.

13 April - Mr H expressed dissatisfaction that no assessment had been received and nor had he received the £1,000 in respect of the trouble and upset caused.

19 April - Aviva said the case had been escalated and the complaint had been re-opened.

17 May - Mr H chased as he'd heard nothing back yet.

23 May – An acknowledgement was sent to Mr H.

10 June - Mr H escalated his complaint to Aviva's CEO.

6 August - Mr H sent another chaser.

7 Oct - £1,512.76 financial loss was paid.

25 Oct – Aviva issued its final response letter, including the compensation calculation.

Having considered the matter, the investigator thought the complaint should be upheld, saying the following in summary:

- In Mr H's email of 12 December 2022, he gave a clear instruction that he wanted all five funds to be transferred into his new SIPP.
- In the call with Mr H on 21 February 2024, the complaint handler said that the complaint should have been concluded and settled by late October 2023. The complaint handler said *"I agree completely with your proposals and everything you've put forward"*.
- The complaint handler conceded that most of the transfers were simply moving from one Aviva account to another and described the time taken as *"ridiculous"*. And it was the Standard Life (the external provider) transfer which completed much earlier than the internal transfers.
- The same complaint handler called back on 23 February 2024 to say that the case had been referred to the remediation team. He said the whole process had been *"a little bit shambolic"*. He added that it was now a *"pretty straight forward cut and shut case"*.
- The last entry in the chronology was Mr H receiving Aviva's final response letter dated 25 October 2024. It said that, *"A loss assessment has now been conducted and please see the attached for the results"*. But that output failed to show any basis for the calculations or how Aviva had arrived at its numbers, which was poor and inadequate in terms of communication with its customer.
- The numerous comments from Aviva, as set out above, demonstrated that it had accepted that significant errors were made in the transfer of the five pensions, so that particular matter didn't need to be reviewed further. Indeed, Aviva had acknowledged the gravity of these errors in the substantial distress and inconvenience payment it had offered to Mr H. Rather, focus should be placed on an appropriate compensation calculation.

With regard to putting matters right, the investigator said the following:

- His aim in awarding fair compensation was to put Mr H back into the position he would likely have been in, had it not been for Aviva's error. This would have meant these transfers would have happened much sooner.

- In February 2016, the leading investment and pension trade associations established the Transfers and Re-registration Industry Group (TRIG) to drive forward best practice in transfers and re-registration of customer assets.
- The final report from TRIG was published in June 2018. Among other things it said the industry should aim towards end-to-end standard timescales for as many transfers and re-registrations as possible.
- For pension cash transfers between two counterparties, it said the standard should be ten business days including BACS timescales. For these particular transfers, Aviva was selling to cash and then instigating cash transfers.
- Therefore, in this case the clock should start from Mr H's clear instruction to Aviva dated 12 December 2022. A further ten business days from this would be 28 December 2022. Mr H had told the investigator that he was monitoring his account regularly and made purchases very soon thereafter for the Baillie Gifford American B Accumulation fund, so a trade date two days later for purchases would be reasonable, i.e. 30 December 2022.
- So Aviva should calculate how many units Mr H could have purchased using pricing for that date for the four transferred Aviva funds.
- There were, however, two caveats:
 - Mr H had highlighted that some small amounts were redeemed prior to his instruction in December 2022. As the chronology above showed, Aviva had said that no charges were to be taken after 16 July 2022. Aviva should therefore confirm that the amounts that should have been sold in December 2022 hadn't been reduced by any charges since that date.
 - Aviva had demonstrated that it asked Standard Life to transfer the fund on 20 January 2023, but the funds weren't received until 6 February 2023 (or 11 business days later). There was no evidence that Aviva had chased Standard Life to respond to its request and the initial request to Standard Life was by letter which would easily have introduced more delay into the process. Aviva should therefore also be responsible for 50% of the delay here, so an additional four business days compared to time it should have taken. This meant a trade date of 6 January 2023.
- Any loss Mr H had suffered should be determined by obtaining the notional value of the pensions had they transferred and been reinvested on the recommended dates and subtracting the value of his current SIPP with Aviva from this notional value. If the outcome was negative, there'd be a gain and no redress would be payable.
- The compensation amount should if possible be paid into Mr H's pension plan. The payment should allow for the effect of charges and any available tax relief. The compensation shouldn't be paid into the pension plan if it would conflict with any existing protection or allowance.
- If a payment into the pension wasn't possible or had protection or allowance implications, it should be paid directly to Mr H as a lump sum after making a notional reduction to allow for future income tax that would otherwise have been paid.
- If Mr H had remaining tax-free cash entitlement, 25% of the loss would be tax-

free and 75% would have been taxed according to their likely income tax rate in retirement – presumed to be 20%. So making a notional reduction of 15% overall from the loss would adequately reflect this.

- Turning to the distress and inconvenience payment that Aviva had offered of £1,250, this range of compensation would be appropriate in situations where the distress caused had been substantial and the impact has been felt over a prolonged period. Aviva's delays had caused Mr H serious and substantial trouble and upset, but its offer of £1,250 was appropriate.

Mr H responded in summary as follows:

- The proposal was that Aviva use the unit price on 30 December 2022 to calculate a notional value for four of the funds, this being two days after the ten-day transfer standard described, but he'd previously confirmed that trades were executed using the unit price one day after instruction. So the relevant date should be 29 December 2022. Given that he gave instructions to invest as soon as he became aware that the transferred money was available for investment, this should be amended.
- He didn't understand the rationale for placing any responsibility for delay on Standard Life for which the investigator proposed adding four days to the date used to calculate the notional value for that fund. The investigator had said that Aviva asked Standard Life to transfer on 20 January 2023 and that the money was received 11 business days later on 6 February 2023. If that was correct, surely Standard Life would at worst be responsible for just one day of the delay as on the face of it they breached the standard by just one day. However, this was likely not the case in reality for the following reasons:
 - An (attached) email he received from Standard Life with its enclosed letter addressed to Aviva dated 3 February 2023 indicated that the money had been transferred that day, so it was questionable as to whether Aviva received the money on 3 February 2023 rather than 6 February 2023. The guidelines referred to BACS timescales in the ten-day standard and whilst it was possible that if the money left Standard Life on 3 February 2023 it could have arrived at Aviva on the 6 February 2023, BACS transfers should complete within two hours.
 - Moreover, the investigator had also said that Aviva's request to transfer was made by letter, which as he'd identified, introduced more delay, and the earliest that Standard Life could have received the request was Monday 23 January 2023 (and possibly later). So in reality, even if the funds didn't arrive at Aviva on 6 February 2023, Standard Life executed the transfer from its perspective within ten business days.
- With this in mind, Mr H asked that Aviva be held entirely responsible for the delay in transferring the Standard Life fund and that the same date be used to calculate the notional value of the Standard Life fund, namely 29 December 2022, instead of a date four business days later.
- Whilst the investigator had addressed the small amounts of charges that were taken from his late wife's Aviva SIPP plan, he hadn't told Aviva to use the initial transfer value for the three Friends Life funds of £19,142.01 rather than the actual amount transferred (for the third time) of £18,971.43. Aviva should be reminded of this.

- The compensation amount could be paid into his pension plan as that was exactly what happened with the adjustment on 7 October 2024 that the investigator had described in his chronology. It was understood that the payment should allow for the effect of charges, although the other observations around tax and allowances weren't actually relevant given that this was a beneficiary income drawdown plan. Mr H's late wife was 53 when she passed away and therefore the entire fund was payable free of income tax.
- Confirmation was sought that, whilst the compensation amount should be paid into his pension plan, the distress and inconvenience payment recommended of £1,250 would be paid directly to him – that was the intention when the offer was made.
- There was an anomaly with the way the compensation would be processed. The investigator had asked Aviva to calculate the notional value and compare it with the current value, and the delta, assuming it was positive, should be treated as the value of the financial loss. In an ideal world, the financial loss would be paid into his plan the same day as the calculation was carried out and units would be bought at the unit price used within the calculation to result in the correct number of units being held. However, in practice, there would be quite a few days delay between the date of calculation and the date the financial loss was deposited into his plan as cash, and then there would be a further delay of a few days before a trade was executed to buy units in the Baillie Gifford fund. As the fund was volatile, these delays could quite easily result in the unit price at the date of trade being significantly different to the unit price used in the calculation, causing an unfair outcome.
- He'd maintained throughout his discussions with Aviva that what he sought was an adjustment so that the number of units the plan held reflected what it would have held had the delays not occurred, and then the value of the fund would take care of itself, whereas the financial calculation method would leave the door open for an unfair outcome. Aviva had always maintained that the financial calculation method was the only method that could be used, but this seemed illogical for a fair outcome and Aviva should be asked to make the number of units correct rather than deposit a fixed amount of cash based on a potentially weeks old calculation that may or may not buy the right number of units by the time a trade is executed.

The investigator said that he would consider the points raised, and also enquired of Standard Life as to when the transfer request was received and on what date it actually transferred the plan value to Aviva. He also enquired as to how the funds were transferred.

Standard Life replied to say that it received the request from Aviva on 20 January 2023. The settlement of the death benefits was completed on 3 February 2023 by sending a BACS payment and letter to Aviva. A copy of the Aviva letter was also sent to Mr H. It said that this was completed within its team's normal service standards of 10 working days. Its records indicated that payment would have been with Aviva on 7 February 2023.

It said that it then received an email from Aviva on 13 February 2023 asking for information which had already been provided in the letter it sent. Aviva then called on 15 February 2023 and said it wasn't going to be able to accept the payment and would return it to Standard Life. It then emailed on 16 February 2023 to confirm it could in fact accept it and it also confirmed it had now been applied.

Standard Life also said that Mr H had been confirmed as the beneficiary of the plan proceeds on 22 September 2022.

Aviva responded to the investigator's assessment as follows:

- It disagreed with the notional trade date of 30 December 2022 and considered the dates used in its loss calculation were appropriate as a reflection of what should have happened here.
- TRIG wasn't enforceable and more of a target based agreement. It set customers' expectations based on average turnaround times which it strived to achieve. If no progress was made, it would notify the policyholder through internal administration automation.
- With regard to the charges taken after the 16 July 2022, it wasn't notified of Mrs H's death until mid-August and so charges were made up to that point in accordance with the terms and conditions of the plan.
- It also disagreed with the additional four business day delay attributed to it for the Standard Life transfer. It said that, as it was an inherited pension, it was a paper-based transfer.

There followed further discussion between the investigator and Aviva around the application of the TRIG guidance to the case in terms of expected completion timescales for the transfers. In summary, Aviva remained of the view that the TRIG guidance shouldn't be strictly applied in this instance.

As agreement wasn't reached on the outcome, it was referred to me for review.

I issued a provisional decision on the matter on 1 October 2025, in which I set out my reasons for upholding the complaint. The following is an extract from that decision.

"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. But as set out below, I've also taken into account the additional comments made relating to the manner of calculating redress.

To firstly address the matter of the application of the TRIG guidance, although I've noted Aviva's comments, I consider it represents good industry practice and is therefore a relevant consideration for us to take into account under DISP 3.6.4R (2).

As reminder, this says the following:

"In considering what is fair and reasonable in all the circumstances of the case, the Ombudsman will take into account:

1. (1) relevant:
 1. (a) law and regulations;
 2. (b) regulators' rules, guidance and standards;
 3. (c) codes of practice; and
2. (2) (where appropriate) what he considers to have been good industry practice at the relevant time."

The FCA has also publicly welcomed TRIG's work on several occasions. And the FCA has said that it's expecting to see an improvement in transfer times. It most recently said in 2022 that it would consider taking further action if insufficient improvements were made.

As set out by the investigator, TRIG's finalised framework was published in June 2018, and this included worked examples. It applies to all pension and investment products, and whilst voluntary, my view is that the TRIG framework represents good industry practice. As I've noted above, it has the endorsement of the FCA, which has set out its expectation that providers will join, and I note that Aviva is in any case a member.

As such, in my determination of what is fair and reasonable in this case, and in line with DISP 3.6.4R above, I consider that the TRIG guidance – which at the very least has been recognised as representing good industry practice, is relevant to my consideration here.

The end-to-end time for a cash transfer, including the time it takes for clearing at the recipient, should therefore be ten working days.

And even separate from the TRIG guidance, guidance in COBS 6.1G since December 2012 has required re-registration of any investment or pension funds "within a reasonable time and in an efficient manner".

Further, there are the wider FCA rules in the Principles for Businesses (PRIN), including the following:

Principle 2 – A firm must conduct its business with due skill, care and diligence;

Principle 6 – A firm must pay due regard to the interests of its customers and treat them fairly;

And COBS 2.1.1R (commonly known as the client's "best interests" rule), requires a firm to act honestly, fairly and professionally in accordance with the best interests of its client.

And this would include the completion of a transfer within a reasonable timeframe.

But to be clear, simply because a ceding or receiving provider has taken longer than ten working days to process the transfer, it won't always be the case that a complaint would be upheld. As asserted by Aviva, the TRIG guidance is exactly that – guidance which informs best practice. And the framework itself gives examples of circumstances where it's reasonable for timescales to be exceeded. I therefore need to take into account what's fair and reasonable in all the circumstances, and so if there were compelling reasons as to why the transfer took longer than ten days, then I might conclude that this wasn't unreasonable.

But I don't think any such conditions exist here. Therefore, for the reasons given, I think that the best practice guidance set out by TRIG, and which I consider is applicable in terms of acting in the best interests of Mr H, is relevant here.

I note that Aviva hasn't provided any practical reasons as to why the transfers couldn't have completed within ten working days, rather focussing on the principle of whether TRIG guidance should be applicable here.

And so there's no reason for me to depart from the investigator's findings in that regard.

To address the other points raised by both Aviva and Mr H respectively, I'd say the following.

I see no reason to disagree with Mr H's comment that the trades could have been executed one day after the ten working day period for the transfers, and so the relevant date for the loss calculation should instead be 29 December 2022.

With regard to any delays caused by Standard Life, it would appear that it completed its transfer within ten working days of receiving the request, and I agree that a BACS payment ought to have been received by Aviva on the same day – so the 10th working day after the request was made of Standard Life. In accordance with the TRIG guidance on the “step by step” timeframe for the initial request by Aviva, the request should have been made to Standard Life by Aviva on 14 December 2022, and then I think an allowance of a further two working days for Aviva to process the receipt of the funds and buy units in the recipient plan would be appropriate. And so the whole process from the transfer request to the purchase of units in the recipient fund would have reasonably taken 14 working days from the date of Mr H's transfer request.

Therefore, the notional unit purchase date for the Aviva transfers should be 29 December 2022 and the notional unit purchase date for the Standard Life transfer should be 4 January 2022.

And although the redress proposal set out by the investigator isn't unreasonable, and might typically be used to determine loss, I also agree with Mr H that in this particular instance, to ensure the right amount of units are held in his current plan, the calculation should determine whether any additional units would have been bought with the transferred funds on the above dates, compared to the number which were eventually bought, and if this is the case, Aviva should simply add these units to his current plan.

Regarding the charges applied to the pension plans, Aviva may apply those in line with the terms and conditions, and so up to the date of notification of Mrs H's death.

Putting things right

As with investigator, my aim in awarding fair compensation is to put Mr H back into the position he would likely have been in, had it not been for Aviva's error. Aviva Life & Pensions UK Limited should therefore do the following:

- Determine whether any additional units would have been bought with the transferred funds which would have been available for the unit purchase on the dates specified above. If this is higher than the actual number of units eventually bought, Aviva Life & Pensions UK Limited should increase the number of units in Mr H's pension plan accordingly. This will need to take into account the payment already made into Mr H's pension plan, and the simplest way of doing this may be to simply reverse that transaction before ensuring the plan holds the correct number of units*
- If the above isn't possible or has protection or allowance implications, the monetary value of those units, as at the date of any final decision along these lines, should be paid directly to Mr H as a lump sum after making a notional reduction to allow for any future income tax that would otherwise have been paid.*
- If Mr H has remaining tax-free cash entitlement, 25% of the loss would be tax-free and 75% would be taxed according to his likely income tax rate in retirement – presumed to be 20%. So making a notional reduction of 15% overall from the loss would adequately reflect this.*

- *In terms of the distress and inconvenience payment that Aviva Life & Pensions UK Limited had offered of £1,250, I agree that this would appropriately reflect the prolonged period of trouble and upset caused to Mr H, at what would have been an already very difficult and challenging time for him. And so Aviva Life & Pensions UK Limited should pay Mr H £1,250.*

Aviva didn't respond to the provisional decision. Mr H said he was broadly happy with the outcome, but commented as follows:

- He should have initially received Aviva's compensation payment of £1,000 in April 2024 in accordance with the original agreement and, after this failed, he subsequently asked Aviva in his email to it dated 4th November 2024 to make an interim payment of £1,250 in accordance with its increased offer. And so he'd like consideration to be given to whether the usual 8% interest should be applied to the first £1,000 of the compensation payment with effect from April 2024 and to the additional £250 with effect from November 2024.
- The combined transfer value for the three Aviva pensions (formerly Friends Life) was originally £19,142.01 and this reduced for reasons unknown to £18,971.43 at the third transfer of the money following two failed attempts. Any money 'lost' as a result of transfer errors shouldn't reduce the transfer value for these three pensions.
- Aviva failed to disclose its calculations on the redress that it applied to his plan in October 2024 leaving him unclear about what it had done, so Aviva should provide him with a detailed and transparent itemisation of its calculations once the adjustments have been made so that he could validate its calculations.

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.

To firstly address Mr H's comment about the award in respect of the distress and inconvenience caused, 8% simple interest is usually applied to actual financial losses incurred, rather than to these kinds of payments. These are designed to reflect the overall impact caused to someone. As such, my view remains that £1,250 is appropriate in respect of the overall impact here.

With regard to the reduced value of the three plans, the proposed redress methodology will ensure that the actual value which would have been transferred earlier - and corresponding number of units which would have been bought - is used. And so any subsequent decline won't have an impact.

And then as to the detailed calculation requested by Mr H, I agree that Aviva Life & Pensions UK Limited should provide Mr H with a clear, detailed breakdown of the calculation it has undertaken.

Putting things right

As set out in the provisional decision, my aim in awarding fair compensation is to put Mr H back into the position he would likely have been in, had it not been for Aviva's error. Aviva Life & Pensions UK Limited should therefore do the following:

- Determine whether any additional units would have been bought with the transferred funds which would have been available for the unit purchase on the dates specified

in the provisional decision. If this is higher than the actual number of units eventually bought, Aviva Life & Pensions UK Limited should increase the number of units in Mr H's pension plan accordingly. This will need to take into account the payment already made into Mr H's pension plan, and the simplest way of doing this may be to simply reverse that transaction before ensuring the plan holds the correct number of units

- If the above isn't possible or has protection or allowance implications, the monetary value of those units, as at the date of this final decision, should be paid directly to Mr H as a lump sum after making a notional reduction to allow for any future income tax that would otherwise have been paid.
- If Mr H has remaining tax-free cash entitlement, 25% of the loss would be tax-free and 75% would be taxed according to his likely income tax rate in retirement – presumed to be 20%. So making a notional reduction of 15% overall from the loss would adequately reflect this.
- Any unit correction required by the above should be made promptly by Aviva Life & Pensions UK Limited after being notified of Mr H's acceptance of this decision. If payment is made directly to Mr H and this is more than 28 days after the date of Aviva Life & Pensions UK Limited being notified of Mr H's acceptance of this decision, 8% simple interest pa should be applied to that amount from the date of this decision to the date of settlement.
- Aviva Life & Pensions UK Limited should provide Mr H with a clear, detailed breakdown of the calculation it has undertaken.
- In terms of the distress and inconvenience payment that Aviva Life & Pensions UK Limited had offered of £1,250, as set out in the provisional decision, I agree that this would appropriately reflect the prolonged period of trouble and upset caused to Mr H, at what would have been an already very difficult and challenging time for him. And so Aviva Life & Pensions UK Limited should pay Mr H £1,250.

My final decision

My final decision is that I uphold the complaint and direct Aviva Life & Pensions UK Limited to undertake the above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 24 November 2025.

Philip Miller
Ombudsman