

## The complaint

The estate of Mrs M ('the estate') is represented by one of its executors ('E'). The late Mrs M sadly passed away in July 2024. She held an Investment Bond ('IB') provided by Aviva Life & Pensions UK Limited ('Aviva').

The estate's complaint is about conflicting valuations for the IB given by Aviva, when the estate pursued its liquidation. Aviva says there was an error in the first (higher) valuation. It paid the estate a total of £600 in compensation for service failures associated with the error, but it says the second (lower) valuation, on which the payout to the estate was based, is accurate. The estate disagrees. It says no credible grounds have been given to discount the first valuation, so it is potentially correct and the second valuation has potentially led to an underpayment to the estate. E also suggests that the compensation payment is *paltry*.

## What happened

In March 2025 the estate was initially informed – in telephone calls and in writing – that the IB's value (as of 11 September 2024) was £70,657.38 plus interest of £2,082. The same valuation was conveyed by Aviva in its letter to the estate's lawyers of 12 March. Aviva says its payment authoriser subsequently reviewed the figures and, on 19 March, found them to be wrong. The valuation was corrected to £65,077 plus £1,928 interest, and the payout was based on this revised value.

Aviva initially said the mistake, and first valuation, had been caused by an erroneous entry in its records that referred to a surrender in 1997. It then withdrew this explanation and said there had been no such surrender in 1997.

One of our investigators looked into the complaint and made enquiries into the facts behind the two valuations. She issued a number of views in the course of her investigation. They all concluded that – our service cannot determine the matter of compensation for the trouble caused to the estate because our trouble and inconvenience awards cannot be made to estates (as complainants); enough evidence has been shared by Aviva to show that the revised valuation is correct; there has been a loss of expectation, with regards to plans made by the estate's beneficiaries, based on the first valuation, but there has been no loss to the estate; so there is no financial loss to redress in the complaint.

E disagrees with this outcome.

She maintains that gaps and conflicts in the explanations given by Aviva mean the reasons why the first valuation is supposedly wrong have not been established, and that the same applies to the reasons why the second valuation is supposedly correct. She stresses that the first valuation was repeatedly confirmed and reconfirmed, with precision, to her on multiple occasions and that the same valuation was confirmed to the estate's lawyers (as was also confirmed to the second executor, albeit with a slightly different figure), just for Aviva to suddenly and arbitrarily substitute it with a notably lower valuation.

As an example of the conflict she perceives in Aviva's position, she questions why the notion of a partial surrender in 1997 would have led to a higher valuation in 2024/2025, when the

former would logically mean a lower/reduced future valuation. In addition, she questions why this reason existed, based on its records, in the first instance before it was withdrawn, and, more importantly, where the first valuation actually came from.

E essentially believes there should be an audit of the IB's valuation(s) and of the payout. Earlier in her considerations, the investigator asked Aviva for internal documents along the lines of such an audit, but it said it could not disclose these, and that it had already shared information on how the revised valuation was calculated. Furthermore, Aviva pointed out that the IB's payout was based on a 12 September 2024 valuation, and the £65,077 valuation/payout is close to the payment-on-death valuation of £64,874.32 a month before, as stated in the IB's last annual statement of 12 August 2024 (the date on which Aviva was informed about Mrs M's passing).

The matter was referred to an Ombudsman.

### **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 understand E's submissions about the trouble caused to her in her experience with Aviva, as she sought to liquidate the IB for the estate. I have also noted the extent to which she felt frustrated by the experience and, for this reason, felt it necessary to write to Aviva's Chief Executive with a plea for intervention/assistance. In another correspondence, with Aviva, she refers to being 'traumatised' by her experience. I have also considered the problems she described to us in terms of the beneficiaries' loss of expectation (expectation based on the higher first valuation).

These events happened around eight months after Mrs M's passing, and E is related to her, so I fully appreciate that the problems she faced in the IB valuation matter would have compounded her bereavement at the time. I do not at all wish to be dismissive of this. However, I must operate within the rules of our service. We have the power to consider and award compensation for trouble, distress and inconvenience suffered by a complainant in a complaint, but the premise for the award is that such adverse effects, distinct from any financial loss claim(s), have *personally* impacted upon the complainant.

In the present case, the complainant is the estate, a legal entity but not a *person* capable of personally experiencing and/or being impacted by the aforementioned effects, so an award cannot be considered for the estate. Even though I acknowledge the trouble that E has described, she represents a complainant that is not a person, so the restriction continues to apply.

If E would like more information about this, she can use the following link to our website page – <https://www.financial-ombudsman.org.uk/consumers/expect/compensation-for-distress-or-inconvenience> – which includes a statement that says "*We also can't compensate executors personally, as they only represent an estate.*"

For the above reasons, I make no findings on the £600 compensation that Aviva has paid the estate, and on E's view about the payment.

Aviva's errors in this matter are not in dispute. Even in the course of reporting the error to E it made a further error by referring to an invalid reason, which it later withdrew and corrected.

I have also noted that in one of its complaint responses it referred to a figure for the revised valuation that is a penny short of the figure used in the formal payout calculation document it

issued – the former states £65,076.99 and the latter £65,077. Then, in the system screenshot for the same valuation (and for the payout value) that it has shared with us, the figure is two pennies higher, at £65,077.02. I appreciate that these could be viewed as relatively insignificant differences of one and two pennies, and there could be a valid explanation for this, but in the context of resolving the much more significant error in the first valuation this would not have helped. It also would have fed, quite reasonably, E's lack of confidence in Aviva's handling of the matter.

Having said the above, and since I cannot consider compensation for the non-financial impacts in the case, my focus must be on whether (or not) there has been a financial loss in the matter resulting from Aviva's error(s) – including whether (or not), as E maintains, there is still an error in the IB payout that was eventually made.

The task is about establishing that the estate has received the correct value, as of 11 September 2024, for the IB. This case is not, and cannot fairly be, about seeking the best valuation/payout for the estate, so whilst I understand why E has questions about the first valuation (and about where it came from), I find that, primarily, the main or only question to ask is about whether (or not) the payout received by the estate is correct. If it was the correct payment, the circumstances surrounding the first valuation become arguably irrelevant as far as my consideration of financial loss is concerned.

For the sake of completeness, and like the investigator, I too have considered whether there was any financial loss beyond the payout caused by the problems in resolving the payout, but there is no claim for or evidence of such loss. The payout included interest, so that covers the time it took for it to be resolved.

I am led by the balance of evidence available to me, so I cannot and do not personally vouch for Aviva in terms of the accuracy of the IB payout. However, I can make a finding on evidence about the payment. On that basis, and on balance, I consider that the payout appears to have been accurate.

I agree with Aviva's reference to the 12 August 2024 annual statement for the IB, which presented valuations for the IB as of 11 August 2024. Based on 15,319.372 invested units, at the value of £2.6888 per unit, the IB had a total cash-in value (including an estimated final bonus of £23,271.69) of £64,462.42 and a total payment-on-death value of £64,874.32 on this date.

The payout calculation document states the following –

- The payout was processed on 4 March 2025, based on a 12 September 2024 valuation.
- 15,319.371757 invested units, at the value of £2.6972 per unit.
- Inclusion of a final bonus of £23,344.40.
- The total payout value of £65,077.

The close proximity between the valuation contents in the August statement and the valuation terms a month thereafter can be seen by comparing the above. Without deviating from my focus on considering the accuracy (or otherwise) of the actual payout figure, it is worth briefly observing that, in contrast, there is a significant gap of over £5,000 between the August statement valuation and the £70,657.38 valuation that was initially given to E.

The payout was based on the same number of units mentioned in the August statement, the only very slight, and arguably insignificant, difference being that the statement rounded the figure up to two decimal points, but the payout calculation did not.

I consider similarly with regards to the unit values in both documents. There is a negligible difference of around a penny between the statement and the payout calculation, so there was an almost identical match in this respect too. Furthermore, I do not find it implausible that the unit price remained around the same price range over the course of a month. The final bonus was around £75 more in the payout calculation, but it can be seen from the above comparison that both documents used broadly similar total final bonus amounts and the amount in the August statement was an estimate.

Overall, I am persuaded that the similarities and matches between the undisputed August statement and the payout calculation (on terms dated a month later) lend credibility to the accuracy of the resulting payout figure.

For the above reasons, I do not find grounds to conclude that the wrong payout amount was issued to the estate. I need such grounds in order to conclude differently. It is not enough to do so based on the fact that an initially higher amount was confirmed, or on E's view that important questions remain unanswered in relation to that higher amount. Sometimes mistakes happen, and this appears to have been the case with regards to the first valuation. This does not mean E is not entitled to enquire into reasons and, in the process, to reserve judgment on (or even cast doubt over) the notion of 'mistake', she is entitled to do both. However, I repeat, my role is to determine the matter on the balance of available evidence, and it is with this approach that I have reached my conclusion.

I am mindful of E's continuing expectation of clarification over the first valuation. I have read and considered the information derived from Aviva by the investigator in this respect, and her efforts to convey and explain that information to E, to satisfy E's enquiries. I do not consider that I can add anything meaningful to the information she has investigated and explained to E, and, as I said above, I consider that the main issue to determine is about the accuracy of the payout.

### **My final decision**

I do not uphold the estate of Mrs M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs M to accept or reject my decision before 16 February 2026.

Roy Kuku  
**Ombudsman**