

The complaint

Mr J complains that Scottish Widows Limited (SWL) mis-sold his pension. He also complains that SWL changed his chosen retirement age from 55 to 57 without explanation or permission. He feels that SWL promised him when he bought the pension that he'd be able to access his pension benefits from age 55.

What happened

Mr J took out a personal pension with SWL in 1997 when he was in his early twenties. He chose a Selected Retirement Age (SRA) of 50. At that time, there was no specified Normal Minimum Pension Age (NMPA) set by the Government.

The Government introduced the NMPA in 2006. It was set at 50. Following a further change in legislation in 2010, the NMPA increased to 55. The Government has announced its intention to increase the NMPA again to age 57 in 2028.

In December 2024, Mr J called SWL to ask about taking his pension at age 55. SWL explained that legislation had been introduced which increased the NMPA to 57 from 6 April 2028. This meant Mr J would only be able to take the benefits from his pension from age 57.

Mr J wasn't happy. He felt he had an agreement in place to take his benefits from age 55. He felt his pension had been miss-sold on that basis. SWL explained that his pension didn't have a protected retirement age. It said that Mr J would have to comply with the law change as he was born after 6 April 1973. Mr J said he'd never heard anything about the NMPA. He felt it was very late in the day to find out about this. He wanted SWL to honour its agreement and allow him to take his benefits from age 55.

SWL issued its final response to the complaint on 18 December 2024. It didn't think it'd done anything wrong. It said that when Mr J had started his pension, he'd selected a retirement age of 50. But subsequent legislative changes had forced this to increase. SWL also explained that it was strictly regulated and required to follow the rules.

SWL also noted that Mr J's annual statements and policy provisions had referred to the need for it to comply with legislative changes. It referenced Mr J's 2023 annual statement, which had noted:

"CHANGES TO REGULATIONS

The Government may introduce new rules and regulations which may have an impact on your pension. It's important that you keep up-to-date with the latest news. We've summarised the most important regulatory changes on our website [address provided].

Please take some time to read about any changes and where relevant, think about how the changes affect your pension."

Mr J remained unhappy, so he brought his complaint to this service. He felt SWL had changed his personal pension age from 55 to 57 without any notice or permission. He said

he'd been told when he bought the pension that he'd be able to take payment at age 55: "*regardless of any scenario.*" He therefore felt the pension had been miss-sold.

Our investigator didn't think SWL had done anything wrong. While he recognised Mr J's strength of feeling about the issue, he felt that the terms and conditions had made it clear that the pension had always been subject to changes in legislation, including those that affected when benefits could be accessed.

Our investigator also felt that the annual statements SWL had sent Mr J included relevant information about the possibility of changes to regulations. He was satisfied that these highlighted the potential impact of new rules and regulations and explained the importance of keeping up to date with the latest information.

Mr J said he'd never seen or read the terms and conditions. He said they hadn't been brought to his attention at the time of sale.

Our investigator issued a further view, although he still didn't think SWL had done anything wrong. He felt the pension had been sold in line with the rules and information available at the time. And that SWL had acted fairly in applying the more recent legislative changes.

Mr J didn't agree with our investigator. He made the following points:

- He was very clear about the conversation that he said took place 28 years ago, during the sale. He said he'd been promised a set date for taking his benefits and no one had explained that this could change. He felt his initials and signature would've appeared on any terms and conditions if this had been highlighted to him.
- Mr J still felt the pension had been miss-sold. He felt SWL had promised the set date to make the sale.

As agreement couldn't be reached, the complaint has come to me for a 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.

Having done so, I'm not going to uphold it. I know this will be disappointing for Mr J. I'll explain the reasons for my decision.

I first want to explain the NMPA, which is a regulatory requirement.

NMPA

The Government introduced the NMPA in 2006. It was set to be 10 years before state pension age. As such, it was increased from age 50 to age 55 in 2010, in line with state pension age changes at that time. And in 2014, the Government announced its intention to increase the NMPA again to age 57 in 2028. This was timed to coincide with the rise of state pension age to 67.

Mr J said that SWL's representative at the time he took out the pension had confirmed that he would be able to take the benefits from his plan at a set date. He felt that SWL had made this promise in order to make the sale. He said SWL never explained that the set date could change. And felt that his pension had been miss-sold from the start.

I went on to consider what SWL told Mr J about the NMPA.

What information did SWL provide to Mr J about the NMPA?

When Mr J took out his pension in 1997, there was no NMPA. SWL has provided me with a copy of Mr J's application form. This shows he chose an SRA of 50. At that time, it was still possible for any pension holder to take their benefits from age 50 as there was no NMPA.

SWL said that the pension's terms and conditions mentioned in the General Conditions that the pension was liable to change to reflect changes in legislation. It noted that section 8.2 Tax and legislation, stated:

"We reserve the right to make any alterations to the Rules in order to comply with or reflect any changes in taxation, legislation or any regulation or law from any relevant source affecting Us, the Funds, or the Benefits payable under the Rules."

SWL has also provided copies of Mr J's annual statements from 2023, 2024 and 2025.

The 2023 statement said:

"Currently, your selected retirement age is 55. Is this age still right for you? Will you have enough time to save the money you might need?"

As I noted earlier, the 2023 statement – and the 2024 and 2025 statements – noted that the Government could introduce changes to regulations. The statements provided a weblink to important regulatory changes. In addition, both the 2024 and the 2025 annual pension statements explained that a legislative change was planned from 6 April 2028. They stated:

"You can normally access your pension savings from age 55. However, from 6th April 2028 the minimum age from which you can do this will increase to age 57."

Mr J said he'd never seen or read the terms and conditions and that they hadn't been brought to his attention when he applied for the pension.

While I acknowledge this point, I think it's more likely than not that the terms and conditions were made available to Mr J at the time of the sale. I say this because I've been provided with a declaration from Mr J's original application which stated:

"I understand that no benefits may be taken as cash, taken before retirement or used as security for a loan except in accordance with the Income and Corporation Taxes Act 1988 and agree to be bound by the Rules of the Plan."

I have been provided with the Personal Key Features Schedule, Key Features Document and product brochure including the Additional Information relating to the product(s) I am applying for, together with a copy of the Funds Guide where appropriate."

I consider that this declaration made Mr J aware that he would be bound by the rules of the plan, and that if he hadn't seen a copy of those rules, he should've requested them. I can also see from the declaration that SWL provided Mr J with various other documents which contained important information about his pension.

It was up to Mr J to have read the terms and conditions before making a decision about whether or not to take out the pension. Therefore, while I acknowledge that he feels that SWL should be able to provide evidence of this through his initials and signature on each page of the terms and conditions, I can't reasonably agree that SWL should've taken this

step. In any event, I wouldn't have expected the SWL representative to have gone through the full terms and conditions with Mr J, line by line.

I agree with our investigator that the terms and conditions of the pension were clear and not misleading that the pension was subject to changes in legislation, including those that affected when benefits could be accessed.

In any event, the evidence shows that the annual statements SWL issued to Mr J explained that new legislation could impact the age from which he could access his pension. And that the August 2024 statement made it clear that the NMPA would change to 57 from 6 April 2028.

I've carefully considered Mr J's testimony that SWL had promised that he'd be able to take his pension at a set date. But, as Mr J then chose an SRA of 50, I'm not persuaded that it promised him he'd definitively be able to take his benefits at age 55.

I say this because at the time the pension started, no NMPA existed. And because Mr J chose an SRA of 50, not 55. I can't think of a reason for SWL to have mentioned age 55 to Mr J at that time - it wasn't his chosen SRA and there was no NMPA at that time. I'm therefore not persuaded that SWL made Mr J a promise it couldn't keep simply to make the sale.

Mr J was able to select age 50 as his SRA when he applied for his pension. At this time, there was no NMPA. But when the legislation first introduced an NMPA of 50 and then changed it to 55, his SRA could no longer apply in practice. And given the NMPA will further change from 55 to 57 for Mr J, this means that he won't be able to take benefits from his pension until age 57.

I know Mr J is disappointed that his NMPA has changed, and that this has affected his plans to access his pension benefits. But based on the evidence I've seen, I've not found that SWL has done anything wrong. So I can't reasonably uphold the complaint.

My final decision

For the reasons I've set out, I don't uphold Mr J's complaint.

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

Jo Occleshaw
Ombudsman