

## The complaint

Mr M says Aviva Life & Pensions UK Limited:

- Gave him poor service when he was switching another personal pension into his Aviva policy. He says he had to chase the process and there were delays.
- Got the figures wrong for the tax-free cash (TFC) he wanted to take from his consolidated pension pot.
- Failed to respond to comments he'd sent about its final response to his complaint.

## What happened

The Investigator who considered Mr M's complaint set out the broad chronology of events. I've added to this a little to reflect some of his testimony about what happened, and further information we've had from Aviva:

16 January 2025 – Aviva received Mr M's online transfer-in request

17 January 2025 – Aviva requested the funds from Mr M's other pension provider (Z) online but was told to use the paper route instead. Aviva confirmed to Mr M by email he would need to complete paper forms, filling in the 'member' sections. He says he telephoned after receiving its email and was told by Aviva all he needed to do was sign the form, return it and it would do the rest. Aviva had no record of any phone contact from Mr M on this day.

27 January 2025 – Towards the end of the day, Mr M emailed his forms to Aviva, he said he could post them if required. Aviva responded within 30 minutes to inform him the documents were not attached to his email and asked him to try again. Mr M tried again that evening.

29 January 2025 – Mr M contacted Aviva by email to ask if it had now received his forms or whether he should send them by post. He told us he also called and was told his email had been received and was being used. He says he confirmed in the call he also posted the forms as a precaution. Aviva says it has no record of Mr M's phone call. But it notes it responded to his email the same morning saying it was still unable to find any attachments to his email and requesting he send the transfer documents by post.

3 February 2025 – Aviva received Mr M's forms by post.

4 February 2025 – Aviva sent the forms to Z requesting funds and confirmed this to Mr M in an email:

*"Thank you for sending us your transfer out paperwork for the transfer from your pension provider Z. We can confirm we have completed and returned the transfer out paperwork to Z and are awaiting for your provider to process the transfer."*

11 February 2025 – Mr M contacted Z and was told the forms were just signed and not completed. He says that this was what he'd been told to do by Aviva. He says he then had to go to the library again, print off the forms, complete and send them to Aviva by special delivery. Aviva is rather opaque about what happened here, noting only that it had a call with Z on this day but doesn't know what was discussed. But we know this is when Mr M raised a complaint about its handling of his transfer.

13 February 2025 – Mr M called Aviva to let it know Z had sent the transfer value of his plan

for around £61,000.

17 February 2025 – Aviva received a letter from Z dated 13 February 2025 stating that the funds were being sent by BACS and would take up to 5 working days to arrive.

18 February 2025 – Mr M chased Aviva for confirmation the funds had been received. At the time of the conversation nothing was showing on the system. But they were receipted later that day. Mr M notes that had he been informed that it could take up to 5 working days for the funds to move across he wouldn't have wasted his time chasing.

20 February 2025 – Aviva sent Mr M a message confirming funds had been received but noting it needed confirmation from Z about what type of pension he'd had with the ceding firm and whether it included a protected pension age. Z confirmed the position quickly and his funds were invested. Nevertheless, this incident caused further frustration for Mr M who felt it was only his chasing matters that kept the ball moving.

27 February 2025 – Mr M called Aviva to discuss taking TFC. Aviva sent him a quote and the relevant forms to complete.

3 March 2025 – After talking to a member of staff from Aviva about the transaction, Mr M returned his completed forms to Aviva.

4 March 2025 – Aviva reached out to Mr M because the illustration reference section was incorrect. The matter was sorted the same day. It has confirmed his fund value at this date was used for working out the TFC he'd receive. And it added an interest payment for each subsequent day until it was paid over to his bank account.

10 March 2025 – Mr M called Aviva to ask when he would receive the TFC. He was told 2 working days.

12 March 2025 – Mr M contacted Aviva again to ask about his TFC because it hadn't reached his bank account. The call handler confirmed funds had been paid over.

13 March 2025 – Mr M called Aviva to say the funds were still not in his bank account. Aviva confirmed the funds had been sent and received by his bank and to check with it. He also filed another complaint about the value of TFC he received. He said it was lower than what he'd been told.

1 April 2025 – Aviva issued its final response letter in response to Mr M's complaint. It didn't agree that it had caused any delays and explained that it was up to Z to send the funds across in a timely manner. Regarding the TFC quotation, it noted the information he'd been sent made clear the figures shown were based on the value of his funds at the date of illustration.

Responding to Aviva's letter about his complaints, on 2 April 2025 he sought clarifications on certain matters, but he says it never responded to these. So, he brought his case to our Service.

An Investigator considered Mr M's complaint, but she didn't uphold it concluding in the following terms:

*"From what I've seen, I'm satisfied that Aviva has acted within the standard service level agreements when dealing with the transfer and that the main delays were caused by [Z]. In terms of the TFC I'm satisfied that the difference in value was down to fluctuating market conditions which isn't something we can influence. But I sympathise with the fact that this has caused Mr M a lot of frustration."*

Mr M disagreed with the Investigator. For example, he noted she hadn't addressed Aviva's failure to deal with the follow-up points he'd made to its final response letter.

As both parties couldn't agree with the Investigator's view Mr M's complaint has been passed to me to review afresh. I issued my provisional decision in March and have now considered the additional information provided. This is my final decision.

### **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.

Where there's conflicting information about the events complained about and gaps in what we know, my role is to weigh the evidence we do have and to decide, on the balance of probabilities, what's most likely to have happened.

I've not provided a detailed response to all the points raised in this case. That's deliberate; ours is an informal service for resolving disputes between financial businesses and their customers. While I've taken into account all submissions, I've concentrated my findings on what I think is relevant and at the heart of this complaint.

I'm upholding Mr M's complaint. I'll explain why.

I've considered the extensive regulation around the services like those performed by Aviva for Mr M. The FCA Handbook contains twelve Principles for businesses, which it says are fundamental obligations firms must adhere to (PRIN 2.1.1 R in the FCA Handbook). These include:

- Principle 2, which requires a firm to conduct its business with due skill, care and diligence.
- Principle 6, which requires a firm to pay due regard to the interests of its customers and treat them fairly.
- Principle 7, which requires a firm to pay due regard to the information needs of its clients, and communicate information to them in a way which is clear, fair and not misleading.
- Principle 12, which requires a firm to act to deliver good outcomes for retail customers.

So, the Principles are important and form part of the regulatory framework that existed at the relevant time. They must always be complied with by regulated firms. As such, I need to have regard to them in deciding Mr M's complaint.

### *Delays*

Mr M points to several issues with Aviva's handling of his request to switch funds to it. For example, on 17 January 2025 Aviva confirmed by email he would need to complete paper forms to switch his pension from Z, filling in the 'member' sections. He said he telephoned after receiving its email and was told by Aviva all he needed to do was sign the form, return it and it would do the rest.

Mr M submitted his transfer forms to Aviva towards the end of January 2025, but because of problems getting electronic files to the firm he had to submit them by special delivery post. Aviva says it received the forms on 3 February 2025 and sent them the following day to Z. Unfortunately, there appears to have been a problem with the forms because Mr M was told by Z that he'd only signed the forms rather than completing the sections he'd needed to.

So, getting to the bottom of what Mr M was informed about completing the forms by Aviva on 17 January 2025 is important. Aviva refers to its email on that date in which it says he was informed he needed to complete relevant sections of the transfer forms. Mr M disputes this version of events, noting the guidance he was given in a phone call subsequent to the firm's email.

Aviva said it had no record of any phone contact from Mr M on 17 January 2025 from his usual numbers. It said it was willing to review its records again if he made the call from another number if he were to confirm what this was.

I'm grateful to both parties for the additional information they've provided following my provisional decision, which helps us understand what happened on 17 January 2025.

Mr M has provided a screenshot from his mobile phone which shows he made a call to Aviva on this date which lasted for around 9 minutes, as per his testimony. Aviva has also now located evidence that its call centre did receive a contact from Mr M at the same time just after 14.00 on 17 January 2025. But it says the call was abandoned before being answered.

Mr M hasn't done enough to show that Aviva told him on the day in question that he didn't need to complete the transfer forms fully. So I put more weight on the email it sent him the same day which had clear instructions. Our memories can and do fade over time and its possible Mr M has got mixed up with other conversations he was having around the time, perhaps even with Z. He must accept responsibility for not completing the forms correctly.

Although clarifying what happened on 17 January 2025 has been helpful it wasn't decisive in terms of the argument made by Mr M that he'd experienced delays. Rather it has a bearing on the number of days delay in effecting the transaction that I think Aviva is responsible for.

We know when Mr M chased up the ceding pension provider on 11 February 2025 it told him the forms were just signed and not completed. He says he had to print off the forms again, complete and send them to Aviva by special delivery.

Aviva hasn't provided any evidence about what was happening at this time. It has simply said it had contact with Z, but it doesn't know what was discussed. This is when Mr M raised a complaint about its handling of his pension switch.

By 13 February 2025 Z had sent a communication to Aviva confirming the funds were being sent by BACs and to allow up to 5 working days for receipt.

The lack of records Aviva holds about what was happening around this time is disappointing. But we do know it received Mr M's transfer forms on 3 February 2025 and sent them to Z the next day. I'm surprised it did this without reviewing the forms he'd submitted. Had it acted with due care, skill and diligence it seems reasonable to conclude it would've noticed they hadn't been completed correctly and at this stage it could've alerted Mr M.

Had Aviva notified Mr M of the problem, given the pattern of his engagement I can see from the record, I think he would've acted quickly to rectify matters. So, as I set out in my provisional decision, I've concluded Mr M's switch was delayed by around 3 working days by Aviva's inaction here.

Having reviewed the chronology of events I don't find Aviva at fault for any other delays in the switch of Mr M's pension funds from Z.

In responding to my provisional decision, Aviva also noted:

*“[we have] listened to some telephone calls on 11 February 2025, 3 weeks after the 17 January 2025, where Mr M stated some delay was due to his other provider, [Z] and [we’re] wondering whether he may have a similar and simultaneous complaint with the Prudential and so may...be the beneficiary of a double compensation award?”*

I’d make the following observations. I’ve not been made aware of any other complaints raised by Mr M with regard to this matter. And this Service doesn’t have another complaint from him about Z. Aviva is right when it states that he isn’t entitled to double compensation.

In addition, as I hope will be clear, the award that I am making is clearly in relation to the acts and omissions which Aviva is responsible for based on the evidence and arguments placed before me by both parties.

### *Tax Free Cash*

On 27 February 2025 Mr M called Aviva to discuss taking TFC from his consolidated pension. Aviva sent him a quote and the relevant forms to complete. After talking to a member of staff from Aviva about the transaction, he returned his completed forms on 3 March.

Over the course of the next 10 days there was to and fro between Mr M and Aviva as he chased payment of his TFC. After it had arrived in his bank account he raised a further complaint because he said he’d received less than he was told. He’d originally expected about £123,500, but received about £500 less.

Aviva says Mr M’s further comments mention the TFC sum of £123,548 and that he did not know they could change. But it says all annual statements have made clear that figures are not guaranteed and the drawdown quotation it issued clearly shows this was the value on 27 February 2025 and that:

*“The figures shown above are based on the date of the illustration. They are not guaranteed and could change without notice...The projected values are only examples and are not guaranteed – they are not minimum or maximum amounts. The value of your plan can go down as well as up - you could get back less than invested....”*

I think Aviva’s argument is reasonable. I don’t think Mr M should’ve expected a quotation he received several days before he made his application to remain unchanged. He had enough information to help him understand the effect of market fluctuations on his pension pot.

Aviva has also confirmed the following about how it calculated Mr M’s TFC:

*“The effective date for the tax free cash sum calculation was 4 March 2025. We would not have known the value on that day until the unit prices for the 4 March 2025 were announced on the next working day, Aviva then arranges to make the payment within the five working days of receiving our final requirements. Interest of £144.12 was added for the delay paying the cash sum from 4 March to 12 March 2025.”*

While I’m satisfied with the broad approach Aviva took to paying Mr M his TFC, given my findings elsewhere it follows that I’ve concluded he would’ve received those funds 3 working days earlier than he did, and based on what his pot would’ve been worth at that point.

### *Aviva’s failure to respond to Mr M’s enquiries after it had issued its final response letter on his complaint*

I asked Aviva to explain why it didn’t provide Mr M with answers to his questions arising from its final response letter. It told this Service:

*“We are sorry we could not provide these answers at the time to Mr M, but unfortunately we were receiving more requests from customers than we were expecting and so it was taking longer to reply to some customers.”*

Had Aviva been able to respond to Mr M’s queries from 2 April 2025 it might have led it to be curious about the points he was making sufficient to find that it needed to do more to put things right for him. And had it done so he wouldn’t have had to raise his complaint with this Service in June 2025.

### **Putting things right**

I’m upholding Mr M’s complaint, so he needs to be returned to the position he’d have been in now, or as close to that as reasonably possible, had it not been for Aviva Life & Pensions UK Limited’s failings. Redress isn’t always a scientific matter. But I do think the framework I’ve set out below is fair and reasonable.

I require Aviva Life & Pensions UK Limited to carry out a loss assessment. It will need to work out what Mr M’s notional position would’ve been had it effected the switch of his personal pension from Z 3 working days earlier than it managed.

So, it will need to understand what his pension pot would’ve been worth at the date of calculation had it been invested in the same funds in the same proportions, at the prices available at that earlier date. This is value A.

Aviva Life & Pensions UK Limited should then assess Mr M’s position as it stands, for the relevant funds within the scope of this dispute, so making adjustments for any additional contributions or withdrawal of monies that he’s made, so as to arrive at a like for like comparison. This is value B.

If value A is greater than value B, Mr M has suffered a financial loss. Then Aviva Life & Pensions UK Limited will be required to make good this sum.

If there is a loss, Aviva Life & Pensions UK Limited should pay into Mr M’s pension plan, to increase its value by the amount of the compensation and any interest. Payment should allow for the effect of charges and any available tax relief.

Aviva Life & Pensions UK Limited shouldn’t pay the compensation into Mr M’s pension plan if it would conflict with any existing protection or allowance. If it isn’t able to pay the compensation into his pension plan, it should pay that amount direct to him. But had it been possible to pay into the plan, it would have provided a taxable income. Therefore the compensation should be reduced to notionally allow for any income tax that would otherwise have been paid.

The notional allowance should be calculated using Mr M’s actual or expected marginal rate of tax at his selected retirement age. For example, if Mr M is likely to be a basic rate taxpayer at the selected retirement age, the reduction would equal the current basic rate of tax.

Aviva Life & Pensions UK Limited also needs to calculate whether as a result of an earlier date for the switch of Mr M’s pension and given what its notional value should’ve been, and an assumed earlier access to his TFC (by the same number of 3 days), whether he is owed any more TFC. If he is, Aviva Life & Pensions UK Limited needs to make good that loss and add 8% simple annual interest to the sum from the point the additional TFC was payable until it settles.

Aviva Life & Pensions UK Limited should provide Mr M with a breakdown of the redress calculations in a clear and simple format.

When I'm considering a complaint like Mr M's I think about whether it's fair to award compensation for distress and inconvenience. This isn't intended to fine or punish a business – which is the job of the regulator. But when something's gone wrong, recognition of the emotional and practical impact can make a real difference.

We're all inconvenienced at times in our day-to-day lives – and in our dealings with other people, businesses and organisations. When thinking about compensation, I need to decide that the impact of a firm's actions was greater than just a minor inconvenience or upset. It's clear to me that this was the case here.

Aviva Life & Pensions UK Limited has caused Mr M frustration and inconvenience. So, I'm awarding him £200 for the failings I've identified in this decision.

### **My final decision**

For the reasons I've already set out, I'm upholding Mr M's complaint. I require Aviva Life & Pensions UK Limited to put things right in the way I've directed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 8 May 2026.

Kevin Williamson  
**Ombudsman**