

complaint

Mr B complains that Friends Life Limited has removed online access to information about his pension investments.

background

Mr B took out a self-invested personal pension (SIPP) in 2008. He bought that plan from a company that was subsequently taken over by Friends Life. So although Friends Life didn't actually sell him the plan it is responsible for that sale and the subsequent servicing of the SIPP. And more recently Friends Life itself has been taken over by another company. However, for simplicity, in this decision I will generally refer to all actions as having been taken by Friends Life.

Since taking his SIPP in 2008 Mr B has taken another, separate, pension plan from Friends Life. His complaint spans the online access to both plans, though it only mentions the mis-sale of the original plan.

Mr B says that it was of the utmost importance when he took his SIPP in 2008 that he was provided with online access to information about his investments. He says that shortly after taking the SIPP he had complained to Friends Life about some delays in transacting investments via the online system. He says this underlines how important online servicing was to him. And he says that he was assured by Friends Life, when he took the SIPP, that it would provide him with online information at all times.

As part of its merger activities Friends Life has recently started moving its customers onto a new online servicing platform. But it has needed to close its old platform before that migration completes. So Mr B and other similar customers have temporarily been left without online access to information on their investments. But Friends Life has said that it is able to provide information to its customers via the telephone in the meantime.

The transfer of the Friends Life business was subject to approval by the High Court. It was possible for affected policyholders to object to that transfer if they believed they would be adversely affected. But Mr B says that the loss of online access wasn't disclosed until after the court hearings had concluded. He says he would have objected to the transfer if Friends Life had been more transparent about the changes.

Mr B's complaint has been assessed by one of our adjudicators. He concluded that it was unlikely that Mr B had been given an indefinite guarantee of online access to his account. And he thought the removal of online access had been a legitimate commercial decision that Friends Life was entitled to take. So he didn't think Mr B's complaint should be upheld.

Mr B didn't agree with that assessment. So, as the complaint hasn't been resolved informally, it has been passed to me, an ombudsman, to decide. This is the last stage of our process.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I've also taken into account the law, any relevant regulatory rules and good industry practice at the time.

Mr B's wife has also been affected, in the same way, by the changes that have been made by Friends Life. She has a near identical complaint that I am deciding separately. And I have considered both of the complaints on their individual merits. But given the similarity in Mr B and Mrs B's complaints, and the evidence presented by them and Friends Life, I hope they will understand why my decisions on the two complaints are commensurately alike.

At the outset, I want to say that I've got no doubts that Mr B has given us his complete and honest recollections of what happened when he was sold his pension plan. But I'm mindful that the events he has told us about took place over ten years ago, and over such a long period of time, even the most careful memories can and do fade. Where there are differences between what Mr B and Friends Life think was discussed, I have needed to use the balance of probability in reaching my decision – or, in other words, what I think is more likely to have happened.

I also think it is useful to reflect on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

I have no doubts that online access to information about his investments was something that Mr B had at the forefront of his mind when he was deciding whether or not to take a SIPP from Friends Life. I understand that Mr B, and his wife, met with their financial advisor and a representative of Friends Life as part of that decision making process. And I therefore think it likely that a discussion about the availability of online servicing would have formed part of those discussions.

But, on balance, I think it unlikely that Friends Life would have given Mr B any assurances that it would be able to provide online access to his investments in perpetuity. Instead I think it more likely that Friends Life would have confirmed that online servicing was available and that there were no plans to make any changes to that availability. I think it highly unlikely that any guarantees would have been given, particularly since Mr B's investment would be expected to be in place for a considerable time into the future.

I have also considered what other options Mr B might have had in the wider market place, if he had been concerned that Friends Life couldn't give him a guarantee of online access for the lifetime of his investment. And, to be frank, I don't think any other provider would have been likely to give him such a guarantee either.

So even if Friends Life had failed to make it clear that it couldn't guarantee online access indefinitely, I don't think it would have led to Mr B choosing a different provider – that provider couldn't give him that guarantee either. So I don't think it would be reasonable for me to conclude that Friends Life misled Mr B when he took the SIPP in 2008, or that he would have made a different decision if he should have been given clearer information.

The matters that were placed before the courts largely related to the investment security and continuity of benefits that the policies provided. But I have seen that Friends Life confirmed to policyholders that;

- *there will be no changes to your policy terms and conditions, your policy number, features, benefits or premiums;*
- *the investment strategy relevant to your chosen funds will not be altered; and*
- *when you call us, you will speak to the same team of people on the same phone number as you do now, and the level of service you receive will not be altered.*

So I don't think it is reasonable for me to conclude that this information means that Friends Life misled Mr B, or the courts, in relation to the online access to his accounts. I don't consider the online access to be a term or condition of his policy or indeed a feature or benefit. I think those relate to the way in which the policies are structured and things such as investment bonuses and maturity dates. And I note that the website Mr B used for his online access had been closed for some time before the deadline for objections to the court about the transfer.

I think the way in which Friends Life chooses to provide information to its policyholders is very much a commercial decision that it wouldn't be appropriate for this Service to intervene on. I can see from the terms and conditions that were applicable when Mr B first took his policy that Friends Life committed to send him statements twice a year. They didn't contain any terms relating to the provision of information online. But even if they had, those same terms and conditions allowed Friends Life to make reasonable changes by giving 30 days' notice to policyholders.

So overall I don't think that Friends Life has acted inappropriately by temporarily withdrawing Mr B's ability to view his investments online. And I don't think that online access was something that Mr B was guaranteed when he originally took his SIPP, and so I don't conclude that it was originally mis-sold to him.

my final decision

For the reasons given above, I don't uphold the complaint or make any award against Friends Life Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 8 April 2019.

Paul Reilly
ombudsman