

Ombudsman's Determination

Applicant	Mrs H
Scheme	Aviva Personal Stakeholder Pension Policy (the Policy)
Respondent	Aviva

Outcome

1. I do not uphold Mrs H's complaint and no further action is required by Aviva.

Complaint summary

2. Mrs H's complaint relates to poor administration of the Policy. She has said that on two occasions Aviva failed to increase her monthly contributions in time.
3. Mrs H has also complained that instead of reducing her monthly contributions in February 2021, Aviva suspended them for two months and she incurred difficulty in getting them reinstated.

Background information, including submissions from the parties

4. The Policy is a personal pension plan into which Mrs H makes regular monthly contributions by direct debit (**DD payments**). Mrs H says this gave her flexibility as she was able to stop, start or change her DD payments as often as she wanted.
5. On 25 November 2020, Mrs H requested that Aviva increase her DD payments from £176.40 to £250 per month.
6. On 7 December 2020, Aviva increased Mrs H's DD payments in line with her request. On the same day, Aviva produced a letter acknowledging this increase and passed this to its postal team, but this letter was not sent until 14 December 2020. The same letter was later reissued on 18 December 2020.
7. On 14 December 2020, Mrs H contacted Aviva as she had received no acknowledgment of her request. As she was unhappy with the service provided, she raised a formal complaint.
8. On 20 December 2020, Mrs H's DD payment was due, and the updated amount of £250 was debited from her account.

9. On 6 January 2021, Aviva responded to Mrs H's formal complaint. It said that:-
- Its records confirmed Mrs H telephoned it on 25 November 2020 and requested that it increase her DD payments.
 - Mrs H's expectations were inadequately managed during that call as it failed to provide a timeframe as to when her request would be actioned. Despite this, her request was processed in accordance with its normal turnaround time of 10 working days.
 - Its records show that her request was completed on 7 December 2020 and the DD payment had been increased from £176.40 to £250. With the applicable tax relief, her monthly contribution amount would be £312.50. The acknowledgment sent to the postal team on 7 December 2020 could not be provided to Mrs H until 14 December 2020 due to Aviva being short-staffed. The information was later reissued to her on 18 December 2020.
 - This was not the level of service it sought to provide, and it apologised for the poor service Mrs H had experienced.
 - A compensatory payment of £100 was arranged to be sent to Mrs H.
10. On 8 February 2021, Mrs H contacted Aviva and requested that it suspend her DD payments until further notice as she had lost her job. Simultaneously, she brought her complaint to the Pensions Ombudsman's Office (**TPO**). She complained that:
- "I [Mrs H] have since contacted them [Aviva] today 8 February 2021 as I have lost my job and need to suspend my payments forthwith. They have informed me that they will do their best. This is also not acceptable as I have no income coming in at present. My next direct debit payment is 20 February 2021 and I have asked for this to be stopped - they informed me that this may not be possible."
11. Aviva actioned Mrs H's request by suspending her DD payments scheduled for 20 February 2021 and 20 March 2021.
12. On 15 March 2021, Mrs H telephoned Aviva and raised a formal complaint in protest at her DD payments being suspended.
13. On 20 April 2021, Aviva reinstated Mrs H's DD payments at £20 per month in line with her request.
14. On 23 December 2021, Mrs H telephoned Aviva to increase her DD payments from £20.00 to £110. Aviva issued the relevant forms by email and post on 4 January 2022.
15. On 14 January 2022, Mrs H telephoned Aviva because she had received no follow-up after making her request to increase her DD payments. During this conversation, Aviva confirmed that although forms had been sent out to her on 4 January 2022, the forms in fact did not have to be completed because the instruction to increase her DD

payments could be taken verbally. In response, Mrs H raised a further formal complaint.

16. On 17 January 2022, Aviva sent Mrs H a complaint acknowledgment, but Mrs H responded saying she was unable to access the email. Mrs H also wrote separately to the CEO of Aviva to complain about the service she had received.
17. On 18 January 2022, Aviva resent the complaint acknowledgment of 17 January 2022 to Mrs H.
18. On 20 January 2022, Aviva responded to Mrs H's complaint. It stated that:-
 - Mrs H was originally advised she would need to complete a form to increase her DD payments, although she did not receive this form, Aviva confirmed that the form was issued on 4 January 2022.
 - When Mrs H telephoned to chase the form on 14 January 2022, she was advised that Aviva could take the instruction to increase her DD payments over the phone.
 - As the instruction was taken on 14 January 2022, Aviva could not amend the DD payment scheduled for 20 January 2022 so the original DD payment amount of £20 was debited.
 - To resolve the issue, it would collect £200 on 20 February 2022 to bring her DD payment up to date. The additional £90 would account for the shortfall from the previous month.
 - It upheld her complaint in regard to the poor service she had received so it was authorising an additional payment of £200 for the distress and inconvenience caused.
 - The previous complaint had been reviewed and it felt that the £100 alongside the £200 was reasonable.
19. On 24 January 2022, Mrs H forwarded her complaint to the CEO of Aviva.
20. On 4 February 2022, Aviva responded to Mrs H's complaint. It stated that:-
 - It acknowledged that this was not the first time Mrs H had experienced problems when increasing her DD payments.
 - The problem stemmed from its failure to provide her with the option of increasing the DD payments over the telephone. This option should have been offered during her first call on 23 December 2021.
 - The issue was compounded because of poor communication as incorrect dates were used in the 20 January 2022 final response.
 - It could not explain why Mrs H had not received the forms issued on 4 January 2022 but apologised for the inconvenience.

- The email Mrs H was unable to open was sent the same way as other previous correspondence, and it believed that her not being able to access it could only be due to a system error.
- It was comfortable with the £200 offered as compensation.

Adjudicator's Opinion

21. Mrs H's complaint was considered by one of our Adjudicators who concluded that no further action was required by Aviva.
22. The Adjudicator's findings are summarised below:-
 - Aviva failed to inform Mrs H that she could verbally request the increase of her DD payments and did not need to complete any forms. This amounted to poor administration. Whilst Mrs H had a right to expect a higher level of professional service from Aviva, she did not suffer financial detriment. Once it knew a problem had occurred it was prompt in rectifying the matter.
 - There was no delay in the processing of Mrs H's request for Aviva to increase her DD payment from £176.40 to £250 on 25 November 2020.
 - On 23 December 2021, Mrs H requested that Aviva increase her DD payment from £20 to £110. The Adjudicator saw no reason why Aviva would not issue the applicable forms after this request was made. She concluded that on the balance of probabilities, the forms were likely issued to Mrs H, she had just not received them.
 - Aviva demonstrated poor administration during the telephone call on 23 December 2021 as it failed to inform Mrs H that if she wanted to increase her DD payments, this instruction could be taken verbally, and it was not mandatory for her to complete forms. However, this error did not cause Mrs H financial hardship and Aviva was prompt in putting matters right once it knew a problem had occurred.
 - Mrs H had complained that, in February 2021, instead of reducing her DD payments, Aviva suspended them for two months and she incurred trouble in getting them reinstated. In the Adjudicator's opinion, the evidence suggested that during the telephone conversation on 8 February 2021, Mrs H directed Aviva to suspend her DD payments going forwards. As such, the Adjudicator considered it was unreasonable to fault Aviva for following Mr H's clear instruction.
 - The Adjudicator concluded that although there was one instance where Aviva's service fell short, it did not result in Mrs H suffering financial injustice.
 - In relation to non-financial injustice Aviva has offered £300 in total, for the distress and inconvenience Mrs H had experienced. The Adjudicator felt this was an appropriate award.

23. Mrs H did not accept the Adjudicator's Opinion and the complaint was passed to me to consider.
24. Mrs H provided her further comments which do not change the outcome. She said:-
 - She wanted the full impact Aviva's errors had on her to be considered.
 - She feels the errors have impacted her future finances.
25. I note the additional points raised by Mrs H, but I agree with the Adjudicator's Opinion.

Ombudsman's decision

26. Mrs H has not provided any new submissions in response to the Adjudicator's Opinion, having been invited to do so. In the absence of any alternative evidence to consider, I can see no reason to reach a different outcome from that in the Adjudicator's Opinion.
27. I find that the only occasion where Aviva's service fell short was when it failed to notify Mrs H that it was not mandatory for her to complete forms for her request to increase DD payments to be actioned. This information should have been provided on 23 December 2021 but was not given until 14 January 2022. I consider the delay in Aviva providing this information to be a limited one and do not find it necessary to direct a higher reward for non-financial injustice.
28. Having examined all the available evidence, I find that there was no maladministration on the part of Aviva. Aviva followed Mrs H's requests and dealt with any issues promptly and in a pragmatic fashion. There is no evidence to support Mrs H's claims that she has incurred a financial loss.
29. I do not uphold Mrs H's complaint.

Anthony Arter

Pensions Ombudsman
10.10.22