

Ombudsman's Determination

Applicant	Mr I
Scheme	Friends Life GPP (the Plan)
Respondent	Friends Life Services Limited (Friends Life)

Outcome

1. I do not uphold Mr I's complaint and no further action is required by Friends Life.
2. My reasons for reaching this decision are explained in more detail below.

Complaint summary

3. Mr I has complained that Friends Life closed its online platform on 25 August 2017, and did not provide him with details of when a replacement or new online platform would be available.

Background information, including submissions from the parties

4. On 21 August 2017, Mr I contacted Friends Life and said he was dissatisfied that he could no longer view his benefits daily through an online platform. He said the only other options available to him were time consuming and inconvenient.
5. Friends Life wrote to Mr I on 25 August 2017, and said that it was rolling out a new system in phases that would create one website, with merged access for Friends Life and Aviva customers. Friends Life said it appreciated that Mr I's preferred method of contacting them was not by post, telephone or email, but these methods should not be more time consuming.
6. Mr I subsequently transferred his benefits to a new provider. There was a slight delay in processing the transfer but Friends Life included an amount of £103.63 for late payment.
7. Mr I remained dissatisfied about the service Friends Life had provided in taking away the online system. He brought his complaint to the Pensions Ombudsman to be independently reviewed.

Adjudicator's Opinion

8. Mr I's complaint was considered by one of our Adjudicators who concluded that no further action was required by Friends Life. The Adjudicator's findings are summarised briefly below: -
- Mr I could still contact Friends Life by telephone, email or post to obtain information about the Plan. Just because these were not his preferred methods of contact did not mean that Friends Life had done anything wrong.
 - Mr I believed that Friends Life should refund his account management charges, because the online platform was no longer available. Friends Life did not need to do this because the management charges covered considerably more than provision of access to the online platform.
 - The non-provision of access to an online platform did not cause Mr I any loss in the past. Nor will it do so in the future, because he has now transferred his benefits away from Friends Life.
9. Mr I did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Mr I provided his further comments which do not change the outcome. Mr I made the following points:-
- He said he checked the value of the Plan daily using the online system and could not do this over the telephone in an open plan office, where he worked. He says it was important for him to monitor his investments so he could adjust asset allocations.
 - When he took out the Plan (originally with AXA), as part of the marketing, it said an online platform was available.
 - He believed the online management charges should be refunded.
 - Although he accepts he has not suffered a financial loss he has suffered "a loss of utility" in that he has not had the benefit of daily fund valuations which he considers is a basic expectation and failure of Friends Life. The loss of online access has caused him distress and inconvenience.
 - Mr I wanted the Pensions Ombudsman to obtain data from Friends Life to determine the number of policyholders using the online service. He said it was unacceptable for Friends Life to turn off these services without another viable alternative. He also believes that data and costs should have been obtained from Friends Life to continue online access for himself until a replacement was ready.
10. I agree with the Adjudicator's Opinion and I will therefore only respond to the key points made by Mr I for completeness.

Ombudsman's decision

11. Mr I has complained that Friends Life closed its online platform on 25 August 2017, and did not provide him with details of when a replacement online platform would be available
12. I can understand that Mr I may not have been able to make telephone calls in an open plan office to Friends Life, to check the value of the Plan. However, he still had the option to make these enquiries through email, which he would reasonably have been able to do. Further to this he may have been able to find somewhere within his work office to make private telephone calls, for example in a meeting room or in a quiet room.
13. Whilst the original marketing may have promoted use of an online system, it was not a mandatory requirement for Friends Life to provide this. There was no maladministration by Friends Life in its decision to remove the old online system, during a process of upgrading its systems and making improvements for the benefit of its customers.
14. I do not agree that the management charges should be refunded, these charges were not purely there to cover an online system.
15. Commercial decisions such as upgrading online platforms is not for the Pensions Ombudsman to interfere with. It is a business decision taken by Friends Life, and it is not for me to decide if it should have replaced the old system or not, or let Mr I retain access to an online system.
16. Mr I said he has suffered distress and inconvenience by the unavailability of an online system. Although, I accept this may have been frustrating for Mr I, he had other alternatives. I do not accept that he suffered significant distress and inconvenience.
17. Therefore, I do not uphold Mr I's complaint.

Anthony Arter

Pensions Ombudsman
5 June 2018