

## Ombudsman's Determination

Applicant	Mrs E
Scheme	Aviva Appropriate Personal Pension Policy ( <b>the Policy</b> )
Respondent	Aviva

## Outcome

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

## Complaint summary

2. Mrs E complains that Aviva's administrative errors have denied her access to her benefits within the Policy.

## Background information, including submissions from the parties

3. On 24 March 2014, Aviva wrote to Mrs E enclosing a statement for policy P3207915A, a personal pension policy, quoting a fund value at that time of £7,532.93. This statement was sent to Mrs E using [Address 1], which Aviva held on its database at that time. Mrs E has explained that this was a friend's address, which she used to use as her permanent mailing address in England, at a time when her job role meant she moved location on a regular basis.
4. On 8 October 2014, a separate department within Aviva wrote to Mrs E about the Policy, at [Address 2]. Mrs E has told us that she lived at [Address 2] from 1997 to 1999, around which time she recalls policy P3207915A commenced. The letter of 8 October 2014 was returned to Aviva with a notification of 'addressee gone away'. Aviva has said, for security reasons, it removed that address for Mrs E on the database for the Policy.
5. On 3 February 2016, Mrs E emailed Aviva about policy P3207915A. In her email, Mrs E notified Aviva of her address change from [Address 3] to [Address 4]. Mrs E also notified Aviva of her change of name following her marriage in 2012. She acknowledged that the 2014 statement was sent to an 'old address by mistake', which in fact was [Address 1], the friend's address. In this email Mrs E also asked Aviva to send her an updated statement for policy P3207915A.
6. In March 2016, Mrs E withdrew the benefits from policy P3207915A.

7. Mrs E recalls that, sometime after this, she received emails from Aviva telling her that she had a 'lost policy' in her name (which she now knows to be the Policy). Mrs E has said she believed these emails to be unsolicited and did not trust their authenticity, so deleted them without replying.
8. On 25 May 2016, Aviva wrote to Mrs E, at [Address 4]. The letter acknowledged a recent telephone call from Mrs E, in which she requested information about the Policy. Aviva enclosed details for the Policy in this letter, which included a quoted fund value of £16,327.
9. On 9 June 2016, Aviva wrote to Mrs E, at [Address 4], enclosing the original schedule for the Policy, which confirmed it had commenced on 31 March 1989 and had a retirement date of 1 March 2030.
10. On 2 March 2017, Aviva wrote to Mrs E, at [Address 4], enclosing an annual statement for the Policy. This statement quoted a fund value of £19,187.
11. On 19 March 2018, Mrs E contacted Aviva, asking to take benefits from the Policy. On 22 March 2018, Aviva issued a retirement pack to Mrs E. On 10 April 2018, Mrs E wrote to Aviva with her completed retirement forms for withdrawing her full benefits from the Policy.
12. Mrs E complained to Aviva as she was unhappy that it had not kept her updated about the Policy. Mrs E argued that, had Aviva correctly updated her about the Policy, she could have taken benefits from it in 2010, when she reached age 55. Mrs E is unhappy that she has been denied access to the funds within the Policy because Aviva did not correctly update her address across all her policies.
13. In its response, Aviva said that, as Mrs E had made enquiries about the Policy in 2016, but had not taken benefits from it until 2018, that it did not accept responsibility for any delay in Mrs E taking the benefits from the Policy.
14. Aviva has explained that the Policy was transferred to its current computer system in 2008 and that it has limited information about the Policy before this time. Aviva has said that when the Policy was transferred to its systems in 2008 it was marked as 'gone away'. It has shown that it performed an address trace in 2014, which it believed to be successful, so it wrote to Mrs E about the Policy on 8 October 2014, but as this letter was returned, it removed that address from Mrs E's records.
15. Aviva has said that policy P3207915A and the Policy are administered by two different departments and using two different databases.
16. Aviva provided a copy of the original application form for the Policy, which Mrs E signed on 28 March 1989.

## **Adjudicator's Opinion**

17. Mrs E's complaint was considered by one of our Adjudicators who concluded that no further action was required by Aviva. The Adjudicator's findings are summarised below:-
- Mrs E moved address frequently and did not always update Aviva when she did so.
  - It was reasonable for Aviva to remove an address it knew was incorrect for data protection reasons.
  - However, Aviva should have recognised it had Mrs E's correct address in 2014, making this the earliest time it could have made Mrs E aware of the Policy.
  - As Mrs E was reminded about the Policy in 2016, but did not take benefits until 2018, the Adjudicator did not consider that Aviva's administrative error caused a delay in Mrs E taking benefits from the Policy.
  - Whilst Aviva's administrative error may have caused Mrs E some distress and inconvenience, this was not significant enough to make an award for non-financial injustice.
18. Mrs E did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Mrs E provided her further comments which do not change the outcome. I agree with the Adjudicator's Opinion and I will therefore only respond to the key points made by Mrs E for completeness.

## **Summary of Mrs E's position**

19. Aviva failed in its duty to provide statements for the Policy and keep her informed about it.
20. Aviva denied her the opportunity of taking benefits from both policies at the same time.
21. Had she known about the Policy, she might have combined it with policy P3207915A and purchased an annuity.
22. Mrs E would like to be told why Aviva did not write to her about the Policy in 2014, when it knew her correct address.

## **Ombudsman's decision**

23. The Policy commenced in 1989, and Aviva has explained that it does not hold administrative history before 2008. Aviva has shown that it performed an address trace in 2014, but was unable to locate the correct address for Mrs E.

24. Having reviewed Mrs E's address history from 2010 to 2018, it would seem she resided at 8 addresses. There is no evidence to show that Mrs E updated Aviva about each of these.
25. However, Aviva successfully wrote to Mrs E in 2014 about policy P3207915A. Aviva has argued that two different departments administer policy P3207915A and the Policy, but I find this to be an insufficient justification.
26. Aviva could have sent information about the Policy to Mrs E in 2014. But, the department responsible for administering the Policy did not recognise that it had access to the correct address until Mrs E took her benefits from policy P3207915A in 2016.
27. Mrs E has said that she might have combined the two policies to purchase an annuity. However, the value of policy P3207915A was around £10,000 and the value of the Policy was around £20,000, so I take the view that it is unlikely that Mrs E would have purchased an annuity with such relatively small amounts.
28. Mrs E has argued that she has been denied access to her funds within the Policy, from which she could have taken benefits in 2010. However, Mrs E did not take benefits from the Policy until 2018, which was two years after she was reminded of its existence. Mrs E's actions do not show that she required the funds from the Policy to cover day to day living costs.
29. Whilst I find that Aviva should have been able to update Mrs E about the Policy in 2014, there is also a responsibility on the member to keep track of their pension policies. Aviva has shown that Mrs E signed the application form in 1989, so I am satisfied that Mrs E initially knew the existence of the Policy.
30. I note that the fund value of the Policy increased between the date of the statement in 2016 and when she took her benefits in 2018, so Mrs E has not suffered a financial loss.
31. I am in agreement that Aviva has made an error and due to this was not able to provide Mrs E with statements for the Policy from 2014 onwards. However, I do not find that this has been to Mrs E's detriment. Whilst I imagine that Aviva's error has caused Mrs E frustration, I do not consider this to be sufficiently significant to make a distress and inconvenience award.
32. I do not uphold Mrs E's complaint.

**Anthony Arter**

Pensions Ombudsman  
14 November 2019