

The complaint

Ms G complains that ReAssure Limited failed to apply payments she'd made to her pension policy.

What happened

I've seen that Ms G has experienced a number of issues with her pension policy with ReAssure.

I'm not going to refer to everything but, in summary and in so far as this complaint is concerned, Ms G emailed ReAssure on 15 January 2021 when she realised that four payments she'd made into her pension between October 2020 and January 2021 weren't showing up on her account. I understand she lodged a complaint via ReAssure's on line portal on 16 January 2021.

ReAssure wrote to Ms G on 21 January 2021 to advise that the payments had been located and would be applied to her account within five to ten working days. Ms G made another payment on 15 February 2021. But, despite contacting ReAssure again, the payments still didn't show on her account.

Ms G submitted a complaint to us on 8 March 2021. On her complaint form she said she'd had to reduce her contributions to her pension so she'd cancelled her direct debit and agreed to pay a smaller sum for a while. Her first payment of £100 was made in October 2020 and showed on her statement dated 5 November 2020. She made further payments of £100 in November and December 2020 and January and February 2021, none of which had been added to her pension. She wanted proof that her pension policy was up to date and compensation for each day the money hadn't been added to her account plus for the inconvenience and time she'd spent chasing things up. She also said that other errors had been made.

ReAssure issued a final response letter on 25 April 2021. But it concerned a complaint about delays to a £3,000 withdrawal and receiving pension projections. ReAssure offered Ms G £100 for those issues. The final response letter didn't mention the missing payments.

Our investigator asked ReAssure for some more information about the dates ReAssure had received Ms G's payments, when they'd actually been applied to her policy and if they'd been backdated. He also asked about the reason for the delay in adding the premiums to the policy and if there'd been further delays from February 2021 onwards. Despite chasing, ReAssure didn't reply.

Ms G then emailed us with screenshots of the payments showing on her account. She said she thought things were up to date but, as there were a number of payments, it was somewhat confusing. The investigator asked her to check.

Ms G did so and emailed the investigator again saying she was happy that ReAssure was up to date with everything. She said she wasn't surprised the investigator had struggled to get a response from ReAssure. She commented that, although her pension fund was modest, that

shouldn't make her a less valuable client than someone with a lot of money invested with ReAssure. She didn't know how compensation was worked out in a case such as hers but she was hoping, after such a long battle with ReAssure, it would be considerable.

The investigator wrote to Ms G and ReAssure setting out his view of the complaint. He said it was a positive step that Ms G was now able to see the missing payments had been applied to her account. But, as ReAssure's final response letter hadn't dealt with the issue and the investigator hadn't had any response to his enquiries, he couldn't say precisely what steps ReAssure had taken to remedy Ms G's complaint.

The investigator recommended that ReAssure backdated each of the payments to the day they were received to make up for the time that these payments weren't invested but should've been. That should remedy any financial loss that had been caused by the error. If ReAssure had already done that then it should write to Ms G to confirm.

The investigator also said, although backdating the payments would make good any financial losses, the payments not being directed to her account for several months would've caused Ms G some distress and inconvenience. He suggested an award of £250.

ReAssure responded to the investigator's view and apologised that it hadn't responded to the earlier request for information. It said it needed more time to check what had happened about crediting the payments.

ReAssure later wrote to say that, having checked, the premiums had been applied correctly. Seven single premium payments each of £100 net had been made and these had now been applied to the account as at the correct dates. Unfortunately it appeared there'd been system issues when applying the premiums initially and that had caused the delays. As the premiums had been backdated to the appropriate dates ReAssure said that, along with the payment of £100 to Ms G, was fair and reasonable.

Ms G was also unhappy with what the investigator had recommended. She didn't think £250 was enough compensation for the stress she'd suffered.

As agreement wasn't reached the complaint was referred to me to decide.

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.

I'm very sorry that Ms G has been waiting some time for an ombudsman's decision.

Although I've read and considered everything I'm only going to refer to what I see as key.

Ms G has made another complaint to us. It's about being unable to access her account on line and being sent an incorrect P45. Although I'm issuing separate decisions, I've considered both complaints alongside one another

Since Ms G's complaint was made, ReAssure was able to locate the payments Ms G had made. ReAssure has also confirmed the dates the payments had been applied were correct. That seems to be Ms G's view too – she's confirmed she's happy that the payments are now correctly showing on her account.

If the payments have been credited and as at the correct dates, then Ms G hasn't suffered any financial loss because of any delay in applying the payments. In effect the payments

have been backdated or applied to her account on the correct dates. There's no investment loss if the payments have been credited to Ms G's account not as at the date that ReAssure located the payments and allocated them to the policy but as at the dates that the payments were received and should've been applied. So, from what I've seen and given that Ms G has confirmed that she's happy that her account is up to date, I don't think she's suffered any financial loss.

But Ms G has suffered distress and inconvenience because ReAssure didn't deal with things as it should've done. ReAssure accepts that but it considers, as there's no financial loss, a payment of £100 is adequate. Ms G thinks a higher amount than that suggested by the investigator - £250 – would be justified.

On our website we give some examples of the sort of awards for distress and inconvenience we might make. We say an award of up to £300 might be fair where there have been repeated small errors or a larger single mistake requiring a reasonable effort to sort out and which may last days or even weeks and cause some distress, inconvenience disappointment or loss of expectation.

Although a number of payments were involved and it took a considerable time for things to get sorted out, I think what's happened here falls into that category. I take into account that although there was a delay in allocating the payments, ReAssure was able to confirm fairly quickly to Ms G when she queried things that the payments had been located. So I don't think Ms G was ever worried that ReAssure hadn't received the payments and that they'd somehow gone astray.

On balance, I think the sum suggested by the investigator is fair and reasonable and taking into account what I say below.

As I've said, Ms G has another complaint with us which I've also considered. I think at some stage we may have planned to deal with all Ms G's concerns as one complaint. We haven't done that but I've borne in mind Ms G's other complaint in deciding what compensation would be fair and reasonable in this complaint.

Looking at things from that overall perspective, Ms G will receive, in total, £650 compensation. That's made of the £250 I'm awarding on this complaint plus the amounts in respect of the other complaint – £400 in total.

I think total payments of £650 fairly reflect the considerable frustration, annoyance, disappointment and inconvenience that ReAssure's several errors and the delays in putting things right have caused Ms G.

I think ReAssure may also have paid Ms G £100 in connection with another separate issue – delays in withdrawing £3,000 and receiving pension projections. For the avoidance of doubt I've disregarded that £100 as it relates to an entirely separate issue. So ReAssure shouldn't take that payment into account in paying the compensation I've awarded.

My final decision

I uphold Ms G's complaint. ReAssure Limited must pay her £250 for the distress and inconvenience Ms G has suffered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 5 October 2022.

Lesley Stead
Ombudsman