

## The complaint

Mr F complains about the service received from ReAssure Limited – formerly Legal & General – referred to as “the business” or “ReAssure”.

He’s unhappy that ReAssure failed to pay the proceeds of a matured plan – previously held jointly with his (now) ex-wife.

He’d like compensation for the distress and inconvenience caused.

## What happened

On the face of the evidence it seems that in June 2019, ReAssure wrote to Mr F and his ex-wife notifying them that the plan was about to mature. In due course, in July 2019, the plan matured.

I understand that Mr F – as part of his divorce settlement – was due the proceeds, despite the plan being held in joint names, but didn’t receive the money.

In July 2019, the business wrote to Mr F and his ex-wife again, requesting the payment instruction form. ReAssure wrote to them again in August and September 2019.

I understand that Mr F’s ex-wife was later written to, separately, on 31 October 2020 for her to fill out and sign the relevant forms. I note she eventually did so in 2021, but in her maiden name, which ReAssure was unable to verify and consequently wrote to her to verify her details.

I’m aware that Mr F provided a copy of the ‘Consent Order’ issued by a District Judge in the County Court which made clear that *“The petitioner do assign to the Respondent all her legal beneficial intent in the Legal and General endowment plan”*. However, ReAssure was unable to accept this document and requested a copy of the ‘Deed of Assignment’ which Mr F didn’t have.

During this time, Mr F asked ReAssure numerous questions regarding the issue and sought updates regarding the payment but ReAssure failed to adequately deal with his correspondence.

In a Final Response Letter (FRL) dated January 2021, ReAssure partially upheld the complaint. It apologised for the delays in responding to Mr F and failing to answer his specific questions and offered him £100 compensation for the distress and inconvenience caused.

In July 2021, ReAssure paid Mr F the proceeds in line with his wishes after it received the relevant documentation from his ex-wife, including change of name documentation in 26 June 2021.

One of our investigators considered the complaint and thought it should be upheld. In summary, he said:

- ReAssure acted fairly by not paying Mr F the matured proceeds without the appropriate documentation.
- The Consent Order wasn't enough to enable ReAssure to pay Mr F the money. It's an order that only applied to Mr F and his ex-wife, not ReAssure.
- In 2000, Mr F would've needed to contact the business in order to assign the plan in his sole name but didn't.
- There's been further communication since the FRL dated January 2021 that he's unable to comment upon.
- ReAssure notified Mr F that it needed the Deed of Assignment in order to pay him the money. Or it explained that it could draw up a statutory declaration in order to pay him half the proceeds, but Mr F didn't proceed.
- It's not clear why ReAssure only contacted Mr F's ex-wife nearly a year after the plan matured and why it failed to answer his questions.
- In the circumstances, ReAssure should pay Mr F £300 compensation for the distress and inconvenience caused.

Mr F disagreed with the investigator's view. In summary, he made the following key points:

- His solicitor's bill is more than £1,500.
- The lost interest over the two years is around £1,000.
- The time spent dealing with this complaint amounts to £1,200.
- The impact on his mental health and wellbeing is 'priceless'.
- Having to borrow money from friends and family is also priceless. He wouldn't need to do this if ReAssure had complied with its contractual obligation.

The investigator having considered the additional points wasn't persuaded to change his mind. In summary, he said:

- ReAssure needed the Deed of Assignment, it wasn't an unreasonable request and it was for Mr F to provide. In the circumstances, it's not responsible for the legal fees.
- Although Mr F spent a substantial amount of time trying to resolve the issues, and it had an impact on his health, the redress is still fair and reasonable.

Mr F disagreed with the investigator's view and asked for an ombudsman's decision. In summary, he made the following observations:

- ReAssure made clear that because Mr F was divorced it would only deal with his ex-wife directly and kept him out of the loop.
- He only instructed a solicitor after two years of not being able to sort the issue out.
- He spent two years trying to sort this issue out, with hours spent on the phone and writing emails.
- Compensation is also due for the time spent as well as for the impact on his health.
- He'd like compensation in the region of £5,000.
- He wanted the investigator to allocate the £300 against the items he's asking compensation for.

ReAssure also responded and disagreed with the investigator's view. It said that it had written to Mr F and his ex-wife – using the address it had on file – notifying them that the plan was due to mature, and thereafter wrote to them on at least three occasions in 2019 asking for their instructions. Therefore, it wasn't prepared to increase its offer of £100 compensation for the distress and inconvenience caused.

As no agreement has been reached the matter has been passed to me for review.

## **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.

Having done so, I agree with the investigator's conclusion for much the same reasons. I'm going to uphold this complaint.

Because ReAssure partially upheld the complaint, the key issues for me to consider is whether (or not) ReAssure is responsible for the entire delay and whether the compensation offered is fair and reasonable.

On the face of the evidence and on balance, I'm unable to safely say that ReAssure behaved reasonably in the circumstances, however I don't think its responsible for the entire delay. In the circumstances I think it should pay Mr F £300 compensation for the distress and inconvenience caused as suggested by the investigator.

Before I explain my decision, I think it's important for me to recognise Mr F's strength of feeling about this matter. He has provided detailed submissions to support this complaint, which I've read and considered carefully. However, I hope he won't take the fact my findings focus on what I consider to be the central issues, and not in as much detail, as a discourtesy.

The purpose of my decision isn't to address every single point raised. My role is to consider the evidence presented by him and ReAssure, and reach what I think is an independent, fair and reasonable decision based on the facts of the case.

In deciding what's fair and reasonable, I must consider the relevant law, regulation, and best industry practice, but I'm not bound by this. It's for me to decide, based on the information I've been given, what's more likely than not to have happened.

Given the history of this case, I think that all the salient points that could be made have been made by both Mr F and ReAssure.

I'm aware that in June 2019 ReAssure wrote to Mr F and his ex-wife – using the address it had on file – notifying them that their joint plan was due to mature in a month's time.

I note that ReAssure wrote to them again in July 2019 (after the plan matured) and then in August 2019 and September 2019 asking them for their instructions but it didn't receive any and so the proceeds weren't paid.

Based on what the business says, it seems that Mr F contacted ReAssure on 14 October 2020, about how to claim his matured funds. He was notified that it would need both parties' signatures in order to pay the proceeds into his sole account.

I think it's likely that Mr F probably contacted the business before October. I've seen correspondence between Mr F and Legal & General from June 2020. In any case, it seems Mr F probably waited a year before contacting the business about his matured funds, although it's not clear why.

In any case, prior to this contact (in 2020), I don't think ReAssure was made aware that Mr F had divorced some years ago and that he and his ex-wife were living separately. That's why ReAssure didn't write to Mr F's ex-wife (separately) at the outset and was expecting surrender instructions from them both.

Despite the Consent Order from the County Court – and I'm aware that under 'item 2' the plan was to be paid in its entirety to Mr F – a Deed of Assignment wasn't completed in relation to this plan. So, Mr F and his ex-wife still legally owned the plan on a joint basis, despite a change in their marital status.

In other words, in the absence of a Deed of Assignment, ReAssure couldn't just pay Mr F the matured proceeds based on a Consent Order and proof that he was divorced. As far as ReAssure was concerned, his ex-wife still legally owned half of the plan, and therefore was still entitled to half the proceeds, unless she or a legal document confirmed otherwise. In the circumstances I can't blame ReAssure for wanting to do things properly in line with its security measures.

The above notwithstanding, I can't blame ReAssure for Mr F not having a Deed of Assignment, because it wasn't a party to the legal proceedings and wasn't involved in advising Mr F at the time. I'm mindful that Mr F was legally represented.

In a letter to Mr F dated September 2000 his solicitor said *"I have forwarded a copy of this (the Consent Order) to your former wife's solicitors with a request for the Deed of Assignment in relation to the Legal & General policy."* If Mr F didn't chase the matter up regarding the deed of assignment, it's not something I can blame ReAssure for.

It seems that on 31 October 2020 ReAssure wrote to Mr F's ex-wife, in relation to the plan, presumably to her new address, although it's not clear. Whilst I'm satisfied that ReAssure attempted to contact Mr F's ex-wife, I also note correspondence dated November 2020 in which it says that it was attempting to trace her.

I note ReAssure subsequently wrote chaser letters to Mr F's ex-wife, in 23 March 2021 (five months after the first letter) and 28 April 2021, asking her to fill out the necessary forms. I note that several calls were also made but were unsuccessful. ReAssure hasn't provided any further details about the calls.

Whilst I can't blame ReAssure for Mr F's ex-wife failing to engage or respond sooner, on balance I think ReAssure could've taken a more proactive approach to resolving the issue and moving things along after it was made aware of Mr F's situation and that's why I think it's responsible for part of the delays.

I don't accept that writing to Mr F's ex-wife's previously known marital address – possibly in June, July, August, and September 2019 – counts as attempts to try and contact her, after it was notified that that Mr F was divorced and she was living elsewhere.

I also think ReAssure could've also done more to engage with Mr F and manage his expectations in terms of what was going on. I think the situation was made substantially worse by ReAssure not acknowledging and/or responding to Mr F, compounding his distress and inconvenience.

I'm aware that there was much correspondence between Mr F and ReAssure and it's not necessary for me to list out the items and address each item individually. For example, I'm mindful that Mr F called ReAssure numerous times but didn't receive a call back despite assurances that it would call him. I'm also aware that letters/emails asking questions and seeking progress updates were effectively ignored.

It's for the reasons set out above, I think ReAssure should pay Mr F £300 compensation for the distress and inconvenience caused.

In terms of legal fees, I note Mr F chose to instruct solicitors, as made clear in his correspondence. But in the circumstances, and on balance, I don't think a solicitor was necessary therefore I don't think ReAssure is responsible for paying the fees. I note the matter was only resolved after Mr F's ex-wife provided all the necessary documentation including evidence of her change of name.

I appreciate that Mr F was caused distress and inconvenience by the delay (I note it took nearly two years to get the matter sorted) but, for the reasons set out above I can't blame ReAssure for the entire delay. I'm aware that this situation arose because there wasn't a Deed of Assignment and ReAssure wasn't aware of Mr F's circumstances.

I appreciate Mr F doesn't think £300 compensation is fair but, for the reasons explained above, I think it's fair and reasonable. The compensation isn't a refund of his legal fees because I don't think he's entitled to these. It also isn't an hourly payment for the time spent on the telephone to the business or writing letters and emails. This is a figure to mark the broad distress and inconvenience experienced by Mr F, as a result of some of the delay and ReAssure's poor service.

I'm mindful of what Mr F says about the financial difficulties he experienced and having to borrow money to pay his bills. But I'm aware that ReAssure gave Mr F the option to receive half his money but it's not an option he pursued. I note in a letter dated May 2021 Mr F was told: *"As discussed, you are able to seek solicitor advice in drawing up a Statutory Declaration to claim 50% of the value of the property"*.

I appreciate Mr F will be thoroughly unhappy that I've reached the same conclusion as the investigator. Whilst I appreciate his frustration, I'm only going to ask ReAssure to pay £300 compensation for the distress and inconvenience caused.

On the face of the available evidence, and on balance, I'm unable to give Mr F what he wants.

### **Putting things right**

ReAssure Limited should pay Mr F £300 compensation for the distress and inconvenience caused.

### **My final decision**

For the reasons set out above, I uphold this complaint.

ReAssure Limited should pay Mr F redress as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 9 August 2022.

Dara Islam  
**Ombudsman**