

## **The complaint**

The estate of Mr L has complained about Sun Life Assurance Company of Canada (U.K.) Limited (Sun Life). This relates to a delay in Sun Life paying a claim on an investment bond.

## **What happened**

Mrs R is the late Mr L's sister. She is acting on behalf of his estate.

Mrs R said Sun Life showed a complete lack of empathy when she tried to make a claim on behalf of her brother's estate to cash out a bond that he held with it. She said it took 25 weeks to settle the claim despite many requests by her to expediate the settlement. She said she needed the money to be paid to the estate because she needed to pay unexpected costs. Mrs R said that Sun Life fulfilled its obligation by paying £8625.89 by cheque on 10 May 2022.

Sun Life acknowledged that it hadn't handled Mrs R's complaint as well as it should have done and offered £250 compensation for distress and inconvenience due to the delays it caused in responding to her. It also said it would pay interest from the day the estate of Mr L should have received the funds to the delayed date that it did do so.

Mrs R wasn't happy with Sun Life's response so referred her complaint to our service.

Our investigator didn't recommend that the complaint be upheld. He empathised with Mrs R and the difficulty she had gone through with trying to obtain the settlement for her late brothers' estate. He concluded that he felt Sun Life's offer of £250 for distress and inconvenience was fair, but our service was unable to award any more to an estate. He also concluded the interest payment offered by Sun life to be fair too.

Mrs R didn't agree. She said Sun Life's handling of her complaint has caused her an indescribable amount of stress. She would consider a higher amount of compensation of £750 to be more appropriate in the circumstances of her complaint.

Mrs R asked for an ombudsman review and so the complaint comes to me for a final decision.

## **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 have not upheld the estate of Mr L's complaint, and these are my findings that explain why:

- The late Mr L held a bond with Sun Life. Mrs R looked to get the bond settled and the proceeds paid into the estate. Mrs R said she needed access to the money to

pay for unexpected expenditure relating to her late brother's estate. She said not having access to this money caused her an indescribable amount of stress as she had to deal with the costs initially herself.

- Mrs R said it eventually took 25 weeks to settle the bond despite requests from her to expedite settlement sooner. She said Sun Life eventually did so on 10 May 2022 and paid a cheque into the estate for £8625.89.
- Sun Life has admitted it took too long to settle the late Mr L's bond. It has also admitted that it provided poor service in responding to Mrs R's requests. So, as it has done this, I don't need to make any findings about whether it was responsible for the delay or the poor levels of service, as it has already taken responsibility for its mistakes.
- What is left for me to decide is whether the compensation it has offered to the estate of Mr L is fair and reasonable in the circumstances of this complaint or not.
- Sun Life has offered to pay an interest payment from the date it should have reasonably settled the bond and paid this to the estate of Mr L, up to the day it did pay the proceeds. It has calculated this to be £230.39 using an 8% simple interest rate. I have seen how it has calculated this amount and I find what it has looked to do here to be reasonable in the circumstances.
- Sun Life has also offered to pay £250 in compensation to the estate of Mr L for the distress and inconvenience caused. Mrs R has said she considers compensation of £750 to be more reasonable in this instance due to the stress and worry Sun Life has put her through.
- I acknowledge the points Mrs R has made here. I empathise with her and the undoubted pressure she must've been under to meet the commitments that came from unexpected expenditure relating to her late brother's estate, that she has described.
- That said, I would only consider awarding a distress and inconvenience payment to an eligible complainant. In this case, the eligible complainant is the late Mr L and his estate, as he held the required relationship with the business. As I have already said Mrs R is acting on behalf of the estate but is not an eligible complainant herself. So, for this reason I can't make an award to Mrs R for distress and inconvenience that she felt when dealing with the issues raised. With this being the case, it is now for the estate of Mr L to decide whether or not to accept Sun Life's offer of £250.

In conclusion, Sun Life has offered to pay Mrs R £250 in compensation for distress and inconvenience due to the way it has handled her complaint. It has also offered to pay £230.89 as an interest payment due to the delay that it says it is responsible for.

I cannot direct a business to compensate an estate for distress and inconvenience. So, it is up to the state of Mr L to decide whether it wants to accept the £250 offered. I have found the compensation offered by Sun Life of £230.39 as an interest payment to be reasonable.

I appreciate that my decision will be disappointing for Mrs R as she felt Sun Life should have paid more, but I hope she will at least feel that her complaint has been fully considered and that the way I've set things out helps to explain how I've reached my conclusions.

### **My final decision**

Sun Life Assurance Company of Canada (U.K.) Limited has already made an offer to pay £230.39 relating to an interest payment, to settle the complaint. It now needs to pay this to the estate of Mr L, if it hasn't done so already.

It is up to the estate of Mr L to decide whether to accept the remainder of the offer made by Sun Life Assurance Company of Canada (U.K.).

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr L to accept or reject my decision before 16 May 2023.

Mark Richardson  
**Ombudsman**