

The complaint

Mr S complains about a letter he received from Sun Life Assurance Company of Canada (U.K.) Limited saying that he hadn't paid a monthly premium for his whole of life policy.

What happened

Mr S received a letter from Sun Life saying that he hadn't paid the premium for his whole of life policy for February 2022. Mr S complained saying that he had paid the premium and that Sun Life was wrong.

Sun Life looked into the complaint and offered £50 for the trouble and upset of what happened. They explained they had received the premium but that the letter had been sent due to a problem with their systems. They went on to reassure Mr S that his policy was up to date and they withdrew the allegation that the payment hadn't been made. Sun Life went on to say that because of the system problem Mr S may receive further similar letters but that he shouldn't be alarmed and that his policy was in force and wouldn't be cancelled.

Mr S was unhappy with this response so brought his complaint to our service where one of our Investigators considered what happened. Whilst appreciating the frustration of the situation they thought the £50 offer was fair.

Mr S didn't agree saying this wasn't the first time the problem had happened. Mr S also raised a lot of other complaint points about the policy. Our Investigator looked at everything Mr S said however still thought the £50 offer was fair. They explained that the other complaint points raised by Mr S had already been looked at by our service and were subject to two previous ombudsman final decisions. Because of this we wouldn't be looking into those issues again.

Remaining unhappy Mr S asked for his complaint to be reviewed by an ombudsman, so the matter has come to me for a 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.

Mr S has provided a lot of information about his complaint and I want to assure him that I've read and considered everything that has been provided even if I don't mention it in detail. I've summarised some of what happened which reflects the informal nature of our service.

Also I'll only be addressing the problem of the letter about the missed premium payment as this is the complaint Sun Life received and investigated. When dealing with our Investigator Mr S made a lot of other complaint points that have been the subject of previous investigations and decisions. Because we've previously looked at those points, and because they didn't originally form part of this particular complaint which was addressed in the final response letter from Sun Life, I won't be addressing those issues.

Sun Life agrees that the letter Mr S received was an error. In their final response letter they apologise for the error and explain this happened because of problems with the systems which they were working to fix. They assured Mr S that the payment had been received, confirmed that the policy was still in force, and withdrew the allegation that the payment wasn't received. Sun Life offered a payment of £50 for the trouble and upset caused.

Mr S didn't accept the offer of £50 telling our Investigator "the penalty for any second offence must be significantly greater than for a one-off offence". I agree this isn't the first time Mr S has had problems with letters like this. However it's my role to look at the impact of what happened and not to punish a business for mistakes. So whilst I can understand the frustration of the same mistake happening more than once it's the impact of what happened now that I must consider.

The error caused Mr S some concern though I note that Sun Life had previously explained they were aware of the problem and had said that further letters might be received about the issue. It was annoying for Mr S that the mistake had happened again but he had been made aware that such letters could be ignored.

Looking at everything that happened I'm satisfied £50 is a fair and reasonable payment for the inconvenience caused.

Putting things right

For the inconvenience caused by what happened Sun Life should pay Mr S £50.

My final decision

Sun Life Assurance Company of Canada (U.K.) Limited has already made an offer to pay £50 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Sun Life Assurance Company of Canada (U.K.) Limited should pay Mr S £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 January 2023.

Warren Wilson

Ombudsman