

The complaint

Ms T complains that she was unable to access her pension policy with ReAssure Limited (ReAssure) online. ReAssure was unable to say when online access would be restored. Manual calculations took time and Ms T didn't always receive all of the information she'd requested and she felt was unable to monitor her account properly.

What happened

Ms T had a stakeholder pension with Legal & General (L&G). In 2020 part of L&G's business was taken over by ReAssure. Ms T's pension was transferred to ReAssure. She registered for online access. When she was unable to log in on 27 September 2021 she contacted ReAssure's call centre the next day. ReAssure promised to look into things. But the weeks went by without access or explanation.

ReAssure sent a final response letter to Ms T on 15 December 2021. ReAssure said, due to a system error, Ms T's one off contributions to her policy couldn't be applied so a hold had been put on her account which meant she couldn't view it. That was so any incorrect information or values couldn't be confirmed to her. ReAssure said, once the issue had been resolved, the contributions would be applied and backdated to ensure there was no financial loss, the account updated and available to view again. ReAssure was unable to say when that would be done but, in the meantime, ReAssure could provide information on request and manually calculate any values and issue these by post. ReAssure said it would be sending a cheque for £150 for the inconvenience caused.

Ms T wrote to ReAssure on 25 January 2022. She said she hadn't had online access for five months. She asked for an update as to when online access would be restored. In the meantime she asked for some information, including breakdowns of two valuations she'd received, on a fund by fund basis with the number of units, unit price and value for each fund. She also said she'd made three lump sum payments and she asked for details as to when each payment had been applied and the number and prices of the units bought. I've seen that ReAssure replied on 23 February 2022. ReAssure gave most of the information Ms T wanted but she wrote again on 16 March 2022 as some details she'd requested hadn't been provided. She also asked again when she could expect to regain online access to her policy.

By the time we started to look into Ms T's complaint, in about August 2022, online access still hadn't been restored. We asked ReAssure for some further information, including when it anticipated Ms T being able to have online access again.

Unfortunately we didn't get all the information we'd requested. The investigator issued her view on 1 December 2022 based on what she'd seen. The investigator didn't think ReAssure had acted fairly. In summary she said Ms T had confirmed she still wasn't able to access her account online. And she'd not been receiving paper statements. If ReAssure couldn't say when the issue with online access would be fixed, ReAssure should be keeping Ms T updated and provide information in another format. It had been over a year since the issue had arisen and it hadn't yet been resolved.

The investigator said, to put things right, ReAssure needed to reinstate Ms T's online access and ensure regular statements were sent to her and provide any information she requested. ReAssure had made a payment of £150 and had offered a further £250 which the investigator said was fair and reasonable. And, if Ms T was paying management charges, ReAssure should refund those from the date online access was lost to when it was resolved.

In response ReAssure accepted what the investigator had said apart from the refund of management charges. The policy did have such charges but they were in place for all policies and whether they could be accessed via ReAssure's portal or not. The charges weren't specifically related to portal access and ReAssure didn't feel it was appropriate to refund for any period the policyholder didn't have access. There'd always been other means (in writing or by telephone) of actioning requests from policyholders and as Ms T had done.

The investigator asked ReAssure for some more information. That wasn't forthcoming and so the investigator told Ms T an ombudsman would review the complaint and make a decision. ReAssure then provided the information the investigator had requested. ReAssure said Ms T now had access to the portal. The payments she'd made had been applied to her account. She'd last received a statement in June 2022. She'd been sent regular information on request. Most recently (11 October 2022) she'd used the secure message facility with information being issued on 21 October 2022. ReAssure said historically Ms T had switched funds by telephone, records of which ReAssure provided.

The investigator considered the further information ReAssure had provided before writing to Ms T on 31 January 2023. The investigator now didn't think the management charges should be waived. She accepted it would've been easier for Ms T to monitor her account online but she could obtain information by contacting ReAssure direct, which she'd done. And she'd switched funds over the telephone. When online access was lost, ReAssure had sent information in response to requests from Ms T. ReAssure hadn't kept Ms T updated as to when online access would be reinstated. There was no charge for online access. Under the terms and conditions an annual management charge, based on the value of the pension, was payable.

The investigator's letter crossed with a letter from Ms T who said her difficulties with ReAssure had continued, including mistakes in statements and delays in sending information, making it difficult to keep track of her investments. Although online access had been reinstated (she'd been able to log in on 31 January 2023) the figures didn't make sense. She wanted a statement showing all unit transactions, bought and sold, since the transfer from L&G. She was also disappointed that ReAssure wasn't prepared to waive the management charge. She said, although her requests for information had been actioned, it had taken time and the figures provided hadn't been accurate. ReAssure's systems, manual and online, hadn't worked and she didn't think it was fair she had to pay for a service which wasn't delivered.

We explained that if Ms T had other concerns which arose after her complaint had been made, she'd need to make a new complaint. In the meantime we'd asked ReAssure to provide the transactions statements Ms T had requested direct to her.

In response Ms T said, when online access had been withdrawn, manual calculations were offered. But the figures drawn up manually weren't correct. And since online access had been restored the figures didn't tally with those provided through manual systems. So things hadn't moved forward since September 2021. She also commented that, although she had switched funds by telephone, it hadn't been straightforward. A request on 26 February 2021 to transfer out of a cash fund wasn't completed until 21 April 2021, a mistake having been made. And making additional contributions was cumbersome.

A new investigator considered Ms T's further comments. He asked if Ms T had received the statement she'd requested and, if so, if it had helped clarify any discrepancies. Although there'd been a mistake when completing the switch out of the cash fund – ReAssure initially having transferred all Ms T's holdings and not just the cash fund – it had been corrected and the switch backdated. The new investigator thought the sums offered - £150 plus a further £250 – for distress and inconvenience were fair and reasonable.

Ms T confirmed she'd received a unit statement. She understood why the investigator didn't think any further action in respect of the fund switch in February 2021 was necessary. But she thought the recommendation to waive management fees should be reinstated. She wanted the matter to be considered by an ombudsman.

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 think what ReAssure has offered for distress and inconvenience suffered by Ms T (£400 in total) is fair and reasonable. In the main it reflects the loss of online access. That's a facility which Ms T clearly values and uses to monitor her pension policy. The loss of online access for a considerable period – between September 2021 and the end of January 2023 – will have caused a fair amount of inconvenience and annoyance to Ms T.

I know Ms T is disappointed that the investigator said management fees should be waived but then changed her mind. But I don't think it would be fair to say that Ms T shouldn't have to pay the management fees, even though the service she's received from ReAssure has been lacking in some respects.

Generally if there's been poor service we wouldn't usually say management fees should be refunded. Instead we'd look at the impact of any service failings on the consumer, including if any financial loss had resulted and the degree of any inconvenience and distress caused. I think that's the right approach here. ReAssure still needed to manage and run Ms T's policy. And she was able to obtain information from ReAssure about her policy even if it wasn't always provided as quickly as Ms T might have wished and led to some further queries. I don't think it would be fair to say that ReAssure shouldn't be entitled to the management fees that Ms T was contractually bound to pay.

I can't see that Ms T has suffered any financial loss. There's some ongoing dialogue with ReAssure arising from the unit statement Ms T requested and which ReAssure provided. As Ms T has noted, much of the statement shows units being sold to meet administration charges. I've seen Ms T queried with ReAssure some of the entries – shown as fund decrease or increase corrections. ReAssure replied to that query and Ms T then raised some further questions.

I don't think there's anything we can add. I think this is a matter between ReAssure and Ms T – she has her own records as to the contributions she's made, any fund switches and the sort of values she expects to see which she'll need to reconcile with ReAssure's figures. I think, as things currently stand, it's for Ms T to satisfy herself – and which might entail further queries to ReAssure – that the statements are correct and that her account now reflects the correct position.

If Ms T gets to the point where she thinks the explanations given by ReAssure as to any of the entries made aren't correct and ReAssure maintains that they are, she can raise that as a new complaint with ReAssure. I don't think that stage has been reached. Hopefully any outstanding queries can be dealt with by ReAssure so that Ms T is satisfied that her account

entries are correct. I don't think there's currently any impasse or that any ongoing dialogue with ReAssure means that I shouldn't determine the current complaint.

To sum up, Ms T has had difficulties with ReAssure caused, in the main, by the lack of online access for a considerable period. Online access has now been restored. I can't see the difficulties which arose have caused any financial loss and the amount offered for the distress and inconvenience is fair and reasonable. Online access has now been restored so that, hopefully, going forwards, things will proceed more smoothly. As I've said, if Ms T is unable to resolve any outstanding queries about her account, she'll need to raise that as a formal complaint with ReAssure and give it an opportunity to respond. If she still remains dissatisfied the issue can be referred to us.

My final decision

I uphold the complaint. ReAssure Limited must pay Ms T £400 (less any sums already paid) as compensation for the distress and inconvenience ReAssure Limited's service failings have caused Ms T.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 25 May 2023.

Lesley Stead
Ombudsman