

## **The complaint**

Mr G complains about the administration of bonds holding money from a trust. Mr G appears to have been one of two trustees in place when the bonds were first taken out. Responsibility for administering the bonds now sits with ReAssure Limited. To keep things simple, I'll use "ReAssure" to refer to them and their predecessors.

## **What happened**

The trust in this case existed for some years before these bonds were taken out. In a June 2021 letter to Mr G, ReAssure explained that Mr G's co-trustee had completed the applications for the bonds, and at that point appeared to say they were the only trustee.

In response to Mr G's complaint, ReAssure have acknowledged they shouldn't have accepted that position without more proof. While I appreciate we may not have the full picture of what's happened with the trust over the years, it's enough for this decision that ReAssure say they haven't any evidence confirming Mr G formally stopped being a trustee.

Mr G's co-trustee seems to have continued as if they were the sole trustee until their death in 2016. Their executor seems to have tried appointing new trustees in 2020, which looks to be what drove Mr G to contact ReAssure in the summer of that year.

It wasn't until February 2021 that ReAssure confirmed they regarded Mr G as the sole trustee owning the bonds. Further correspondence clarifying the position then seems to go until February 2022. Mr G then brought the matter to us in August.

In their responses to Mr G's complaint, ReAssure have sought to explain the position with the bonds. And they've offered him £300 compensation for the trouble and upset caused.

Our investigator noted in their review that there didn't appear to be a financial loss for the trust in all this. But she agreed some compensation was suitable given the time and difficulty ReAssure had added to Mr G's efforts to get things sorted out. Our investigator ultimately felt the compensation should be £500. Mr G has disagreed though, so the case has come to me for a formal 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.

It seems to be accepted that ReAssure should have done more to confirm the position presented to them by Mr G's co-trustee, before accepting the trust's money to set up the bonds. I agree with that position. There would have been legal documents confirming who was responsible for the trust, and ReAssure should have made sure these were consistent with what they were being told.

I can see that in the course of sorting the position out, Mr G's found ReAssure's responses to be slow, or lacking in detail. I view these parts of the complaint as showing the extent of

the trouble and upset that's followed from the original omission when setting up the bonds. I've considered these points when deciding how to put things right. But – in keeping with the quick and informal nature of our service – I'm going to focus on what's needed to draw this complaint to a resolution, rather than going into detail about everything Mr G feels ReAssure have done wrong.

### **Putting things right**

From the evidence in front of me, it doesn't look like the trust's money has been lost as a result of ReAssure not confirming the trustee position earlier. At least one trustee was always aware of and involved with what was happening with the trust's money. So to resolve this complaint I find I can just consider what should be done to acknowledge the upset and inconvenience caused for Mr G. There are a few factors to consider in that.

For a start, ReAssure can't undo what's happened, or the time it's taken to sort out the confusion caused. And my direction isn't intended to punish them for mistakes. My focus is to have them show they recognise they've added to the problem Mr G's had to deal with.

But another factor here is that the root of the issue was in Mr G's co-trustee saying Mr G had retired as a trustee, and then acting as if they were the sole trustee. I've looked to find a remedy that acknowledges ReAssure aren't responsible for the actions of Mr G's co-trustee.

Taking into account what Mr G's told us about the time and effort he's spent contacting ReAssure over the last few years, and the unreasonably long time it took ReAssure to fully confirm the position, I find a payment of compensation is needed.

Picking an amount is a matter of opinion. For me the time taken, the root cause of the problem, the absence of a financial loss, and ReAssure's more recent confirmations that things are now as it appears they should be, balanced with the impact Mr G's described he's felt, lead me to agree with our investigator that a £500 payment will be suitable in this case.

### **My final decision**

I've decided to uphold Mr G's complaint about ReAssure Limited. To acknowledge the trouble and upset they've added to this situation, I direct them to pay Mr G a total of £500 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 14 July 2023.

Paul Mellor  
**Ombudsman**