

The complaint

Mr F complains about the way ReAssure Limited (ReAssure) have administered his whole of life policy. In particular, he is unhappy with how they have attempted to resolve an issue following missed reviews.

What happened

Mr F has a reviewable whole of life policy with ReAssure, which he took out with a predecessor scheme in 1995. As well as life cover, he says it provided other benefits such as critical illness and disability cover as well as income protection. He says life cover was removed in 2004.

The policy reviewed for the first time since inception in December 2015. Mr F was told that the premium he was paying was not enough to maintain the sum assured. However, in June 2016 ReAssure wrote to Mr F to tell him that they had not reviewed the policy in line with its schedule. They offered to pay the difference in premiums to bring the policy up to date and £250 compensation was paid. This was done through a top-up policy, which Mr F says he was told would be reviewed in line with the original policy.

Mr F says he then received incorrect letters and statements in August 2016, March 2017 and December 2017. He says he then received another letter in January 2021, informing him the policy sum assured was at risk. After this he enquired about the performance of the top up policy and says he was told it didn't include the benefits of the original policy and wasn't reviewed every five years. Due to what he said was contradictory information and his concerns, he complained.

ReAssure replied to apologise for any misinformation, and confirmed the top-up policy was set up as initially stated. They offered a total of £400 during this period for the errors. Mr F remained unhappy and brought the complaint to this service for an independent review.

Our investigator looked into it and concluded that Mr F had not been put back in the position he would have been in, had the initial policy reviewed as it should have. He asked that ReAssure:

- Pay Mr F an additional £600, bringing the total to £1,000.
- Review the policies manually at the same time.
- Provide total cover of £36,994 and tell Mr F the total premium. If this isn't affordable, then offer a reasonable way forward.
- Confirm in writing, along with reflecting what is held on their system, what benefits Mr F holds.

ReAssure and Mr F accepted the view of the investigator. However, ReAssure failed to provide the resolution they agreed to and Mr F remained unhappy. ReAssure have paid Mr F a further £200 for the inconvenience caused and have said that they are working on resolving the matter. They have confirmed that they are attempting a more permanent solution where Mr F's top up policy is cancelled and his initial policy is reworked as if the

reviews had taken place as they should. However, Mr F has asked for the case to be referred to decision to try and bring forward its conclusion.

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 the outcome reached by the investigator, and agreed to by both Mr F and ReAssure, is a fair one. ReAssure acknowledges that the initial policy didn't review as it should have. They attempted to resolve the matter through a top-up policy, to put Mr F in the position he would have been in, but for the errors with the initial policy. However, the main issue with this resolution was that the top-up policy wasn't reviewing as the initial policy was. This disadvantaged Mr F when it came to making a decision on the initial policy following reviews.

Mr F has clearly suffered a significant amount of inconvenience, following the first acknowledgment of error in 2016. A further £600 compensation (on top of the £200 ReAssure have recently paid) would bring the total amount to £1,200. I think this is fair recognition of the impact this has had on Mr F.

I acknowledge that ReAssure say they're attempting a permanent reconstruction. However, this was offered months ago and it's reasonable Mr F wanted to bring forward a resolution. It's been over a year since ReAssure accepted the view and we'd expect a prompt settlement. Mr F is able to seek enforcement following decision if it remains unsettled.

My final decision

My final decision, for the reasons set out above, is that ReAssure Limited should put things right for Mr F, as they have already agreed to.

They should provide total cover for an initial £36,994 and let Mr F know what is needed to maintain that. Until they complete a full reconstruction, they should ensure the policies are reviewed manually at the same time. They should also provide written confirmation of what benefits the policies provide and pay the additional £600 compensation (a total of £1,200) if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 16 February 2024.

Yoni Smith
Ombudsman