

The complaint

Ms V complains about lack of online access to her pension account with ReAssure Limited (ReAssure) which she says caused her financial loss.

What happened

Ms V said she couldn't access her pension account with ReAssure. The account was unlocked but she still couldn't get access as she didn't have the answer to a security question. She said this delay prevented her making a fund switch and meant she lost around £3,500. She said she downloaded daily prices for her funds and created a graph of performance. She felt this showed that she would have made a fund switch in early 2023. Had she been able to do that, she would be better off. She wanted ReAssure to pay her for her loss and refund her management fees for poor service.

ReAssure said that Ms V forgot her password which was then reset. However she then forgot the answer to a security question. It advised her by email that she needed to call in and go through security so that they could proceed. It accepted there were delays in responding to her and offered to pay £100 compensation. It didn't think refunding its fees was appropriate given it was still managing the fund and issuing statements. It said that she could have made the fund switch in a number of ways and being able to log in to her account was only one of the ways it could be done. She could have called in. The portal also was not a contractual provision of the policy but provided to help its customers'. There was no record of any call notes from Ms V in April 2023, trying to make the fund switch. It's mistakes had not caused a financial loss.

The investigator didn't think that ReAssure had acted fairly. It seemed Ms V complained she was locked out of the account due to a forgotten password and security question. While it wasn't ReAssure's fault Ms V couldn't recall these it should still have responded in a timely fashion. Ms V called and emailed twice in August and once in early September 2023. Ms V and ReAssure communicated about other matters including a transfer in. ReAssure accepted there was a failure to respond in a timely manner in some cases. In terms of financial loss there was no evidence Ms V tried to make the investment change at the time she said she would have. Correspondence with Ms V in early 2022 explained that she could make changes to investments over the phone or via the website. So Ms V must have been aware of these other options in early 2023, which was when she says she would've made the switch. The investigator didn't think ReAssure had caused any financial loss. With respect to the delay in resolving the account access issues the investigator felt that an appropriate award for distress and inconvenience would be a total £200 (including the £100 already paid).

ReAssure accepted the investigators view.

Ms V rejected the investigators view. She said she had always had online account access since the account was opened so it didn't matter that the terms for the account didn't list this. ReAssure did nothing to correct her lack of online access. Even when the account was unlocked in June 2023 she still did not have the security question and answer to change her password. This wasn't sorted until mid-December 2023. During this time she had made them

aware her fund value was falling and that she had complained to this service. She said she daily tracked the value of her investments. Based on this she knew she needed to make a fund switch and had identified the fund switch she wanted to make. She provided a graph to show this and explained this was why online access was so important for her. Doing a fund switch by post is slow and absurd when online would take 3 working days. ReAssure's failure meant she didn't have access to make the change and there were lengthy delays. The award proposed was absurd.

The investigator didn't change their mind and said there was no evidence Ms V tried to change investments at that time. Providing evidence of fund performance didn't show she would have made the switch at the time. The award of £200 was for distress and inconvenience not to reflect any financial loss that Ms V said she had suffered.

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.

In considering this complaint I need to consider if ReAssure has done something wrong. The heart of this complaint is that Ms V was not able to access her online account to make fund switches and as a consequence missed out financially.

I can see that Ms V was locked out of her account but it was unlocked. However she was still unable to use it as she could not recall the answer to a security question. It is clear there were delays in ReAssure responding to her complaint and request to sort this out. ReAssure have accepted that was the case. I can therefore consider an award for any financial loss arising from that delay and for the distress and inconvenience caused by that delay.

Financial loss

The purpose of an award for financial loss is to put Ms V back as closely as possible to the position she would have been in but for the mistake – in this case a delay in helping her access her online account.

While it wasn't ReAssure's fault that she was locked out of her account and then could not remember the answer to her security question, it should still communicate in a timely manner.

Ms V says she actively monitored performance of her investments and checked the values daily. I can also see that she had made investment changes in 2021 and 2022. I think this shows there was a pattern of active management. So I have no reason to doubt that she would have continued to do this during 2023 when she said she had problems getting into her online account.

I note also that the provision of an online account isn't part of the contract terms even though Ms V says one has always been provided to her. I note further that ReAssure wrote to Ms V in 2022 and confirmed all the funds available to her. It went on to say that that she could confirm an investment switch request via phone call or via the web so that she could process a request without delay. So I think it should have been clear to Ms V that even without online access she could have made an investment switch over other ways. This would most likely have been quicker than waiting from her account to be reset. So on balance based on the evidence provided while I think Ms V may very well have wished to make a switch she was not prevented from doing so because she could have done this in other ways.

For that reason I don't think ReAssure *prevented* her making a switch and is not responsible

for any financial loss due to the delay in regaining her account access which delayed her making an investment switch via her online account.

I also don't think there is a loss in relation to the fee she pays for operating her account. The pension funds and investments were still being managed throughout this time, so I don't think it is appropriate to refund any fees during the time in question both because it didn't prevent the switch and because it continued to provide her account investments during this time.

Distress and inconvenience.

The purpose of an award for distress and inconvenience is to reflect the impact of the events on Ms V. In this case the events are the delay in helping her regain access to her online account.

We all experience frustration and annoyance in day-to-day life, but I think this is more than that. It's clear that it took months for ReAssure to sort out her access issues. I say that because her account was unlocked in June 2023 so she must have asked for help before then. She then complains in August and September and I note still had some access problems in late 2023. So Ms V had to put in considerable effort to get this sorted.

While it was not ReAssure's fault she had problems with access, it's clear it was not responding in a timely fashion to help her. Given the background context of someone who clearly actively monitored and managed her investments I can understand that this would have been frustrating for her. As I have already said she could have made the switch in another way to reduce the impact of this.

On balance having considered all the evidence I think an award of a total of £200 for distress and inconvenience is fair and reasonable in the circumstances.

Putting things right

I uphold this complaint and direct that ReAssure should pay Ms V £200 for distress and inconvenience. For the avoidance of doubt ReAssure need only make such further payment, if any, as is needed to bring the total payment to £200.

My final decision

I uphold this complaint.

I direct that ReAssure Limited must within 30 days of this service notifying it that Ms V has accepted this decision, pay Ms V such further amount (if any) as is required to make sure she has been paid a total of £200 for the distress and inconvenience caused by this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms V to accept or reject my decision before 15 April 2024.

Colette Bewley
Ombudsman