

The complaint

Mrs P complained about Countrywide Assured Plc (CWA). She said CWA sent out incorrect forms, and because of this delayed her with profits life assurance policy from being surrendered. Mrs P said because of this she incurred a loss. She would like CWA to compensate her.

What happened

Mrs P had a with profits life assurance policy with CWA. She said on 20 October 2023 she phoned CWA and confirmed with it that she would like to surrender her policy. On the same day a representative from CWA sent Mrs P forms to complete. Mrs P said she dutifully completed the forms on the same day and returned them to CWA. Mrs P said on the same day she also asked CWA to send her the surrender value of her policy, in the post.

Mrs P said her husband, who also had a with profits policy and was also looking to surrender the policy at the same time, received a message on 28 October 2023 from CWA, to say the form it sent to them, and they completed, was incorrect. Mrs P said she didn't receive a message from CWA about this.

Mrs P said she followed this up with CWA twice and on the second occasion, on 31 October 2023, she was told on the phone by a representative that nothing was happening with her policy as the forms she sent in were wrong. Mrs P said the representative explained that there was a distinction between the form she completed that was about encashments and the correct one that included an option to surrender the policy.

Mrs P said the form she previously submitted on 20 October 2023 should allow for her policy to have been surrendered and the value of the policy should have been paid from that date. Instead, she said, she had to resend a form on the 31 October 2023, and received less from her surrendered policy. She received a lower amount on 7 November 2023 than she said she would have done if the original form had been accepted and value had been taken on 20 October 2023. She complained to CWA about this.

CWA said in response that it was sorry it sent the wrong form to Mrs P initially, which it couldn't then accept when Mrs P returned it.

CWA said it sent the correct form and this was received by it on 31 October 2023. It said payment was raised and authorised on 3 November 2023 and the surrender value of Mrs P's policy was £47,898.30.

CWA said in order for Mrs P to not be financially disadvantaged by its mistake, it compared the bid price from the day it would have processed Mrs P's surrender request to when it did do so. It said from this it calculated the loss that Mrs P made because of its mistake as £111.25. It said it also caused Mrs P distress and inconvenience, so it also offered £50 to her for this. It offered a total of £161.25 to Mrs P.

Mrs P was not happy with CWA's response, and said the dates and figures used by CWA were inequitable. She said the date CWA should have used was 20 October 2023, as this

was the date it received the incorrect form. She said if it did that, it would calculate her loss to be £1387.00 and not £111.25.

Mrs P said she also didn't understand why she received her proceeds several days after her husband. She said she should also receive interest for the delay she endured in receiving her funds late. Mrs P referred her complaint to our service.

CWA responded to Mrs P's comments and said although she sent the incorrect form on 20 October 2023, it was sent outside of business hours, and so the receipt date of the form was on the next working day, this being 23 October 2023.

CWA said it processes surrender requests two working days after receipt in order to allow time for the correct bid prices to be allocated to the policies. It explained that the bid price that should have been used to surrender the policy was 25 October 2023. It said the surrender value that it sent to Mrs P dated 20 October 2023, was a guide and not the value that Mrs P was due. It said it used BACS to pay the proceeds of hers and her husbands policy to them. It said the time taken to do this, varies from bank to bank.

An investigator looked into Mrs P's complaint. He said he didn't think CWA needed to take any further action. He concluded CWA carried out its obligation to her by undertaking its role in surrendering the policy once the correct form had been received.

The investigator said he was satisfied CWA complete the correct price comparison when it made its offer of compensation. He said he thought the offer was fair and reasonable.

The investigator said CWA acted fairly and completed the correct procedures to ensure Mrs P wasn't financially disadvantaged by the error it caused by sending the wrong form to her. He didn't uphold Mrs P's complaint.

Mrs P is not in agreement with the investigator's view. She said CWA were at fault for not sending the correct forms. She said if the correct forms had been sent and returned on the same day, then she would have received the amount as shown on the written valuation of her policy, as she requested on 20 October 2023.

Mrs P again said she should receive £1357 and not £111, as she should have received the proceeds of the policy as valued on 20 October 2023.

Because the parties are not in agreement, Mrs P's complaint has been passed to me, an ombudsman, to look into.

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.

I have independently reviewed Mrs P's complaint and have arrived at the same outcome as the investigator, for the same reasons. I will explain why.

CWA has taken responsibility for sending the wrong forms to Mrs P, so I don't need to make any findings about this. CWA sent the wrong forms and because of this caused a delay in when Mrs P received the proceeds from surrendering her with profits life assurance policy.

What I do need to decide on, is *when* CWA ought to have used the bid price to value Mrs P's policy. It is this issue that is contentious and something that the parties do not agree on. Mrs P has told CWA and our service that CWA should have valued her policy using the bid

price from 20 October 2023. She said she asked CWA to send her written confirmation of this value on 20 October 2023, when she informed CWA that she was surrendering it. Mrs P has calculated that by using the value on 20 October 2023, she should be compensated £1357 by CWA.

CWA on the other hand has told our service that it has calculated Mrs P is due £111.25. It said it did this by working out what it would have done, but for the mistake it made. It said Mrs P sent her forms in after business hours and so it received it on 23 October 2023 and not 20 October 2023. It said it then would have taken two working days to process the request and so used the bid price on 25 October 2023, and then calculated the amount Mrs P had lost which was £111.25.

I have looked carefully at all of this and have also listened to the phone calls that Mrs P provided to our service. I have listened to what was said between the parties during the calls, read all of the correspondence and also considered what both have said since.

In doing so, I don't think I can say CWA's offer of compensation to Mrs P for the mistake it said it made is unfair. I say this because I can see it has looked to put Mrs P back in a position she would have been in, but for the mistake it made.

CWA has explained how it would have dealt with Mrs P's request had it sent her the correct form on 20 October 2023. It said Mrs P sent the form back to it after business hours, and so it stands to reason that this would have been the case if she was sent the correct form to complete and send back to. It said it had to then process her form on 23 October 2023 and then took 2 days to do this. I don't find fault with it doing this or saying this to Mrs P.

I have looked at the paperwork provided by CWA and read what it has said about this on its website. I can see clearly that CWA said it looks to surrender a policy once it has received all the information it needs, and not as Mrs P would like it to be, on notification from the policy holder. CWA has explained on this occasion that it didn't obtain the information back from Mrs P until after business hours and so the first opportunity it had to deal with her request was on 23 October 2023. I am persuaded by what CWA has said here, it does explain why it dealt with Mrs P's the following week. It means on balance, that there isn't a scenario here where Mrs P's policy was going to be surrendered on 20 October 2023, so she didn't incur the losses she has told our service she has.

I also haven't seen anything, from CWA where it has told Mrs P that it would use the bid price on the day a request is made to surrender a policy. The valuation statement it sent to Mrs P showing the value of her policy as of 20 October 2023, was exactly that: a valuation statement from that day and not confirmation of what she would receive. Conversely, I can clearly hear the representative from CWA saying to Mrs P in the phone call from 20 October 2023, that her request would take up to 5 working days to action [once it received the information it needed from Mrs P] and then 3 to 5 working days for payment to go into her account. I can see that throughout; this was the timeframe that CWA was working to.

In conclusion, CWA has made a mistake and sent a wrong form for Mrs P to complete and this delayed payment of her with profits life assurance policy that she wanted to surrender. CWA agreed it should put things right and ensure Mrs P hadn't lost out due to its mistakes. It worked out that, if it had sent the right forms, it would have processed Mrs P's request using the bid price on 25 October 2023 and not 20 October 2023 as Mrs P wanted it to. I don't find fault with CWA doing this and can see that this was the process that it followed when dealing with requests such as these. By calculating the loss that Mrs P made from the mistake it made, it looked to put her back in a position she would have been in, and I think it was fair of it to do so.

CWA also offered £50 for the distress and inconvenience it had caused here. I think this offer is fair too and is in line with the sort of amount I would award in the circumstances of Mrs P's complaint.

Finally, Mrs P has asked why she received her proceeds later than her husband did. I have listened to a phone call and heard a representative from CWA explain that it made payment on her husband's policy on 3 November 2023 but made payment on her policy the following Monday 6 November 2023. It explained that it was most likely that it dealt with paying one request late on Friday afternoon and the other first thing on Monday.

Again, I don't think CWA has made any mistakes here or been unreasonable in anyway in the way its dealt with paying the proceeds of Mrs P's policy. It said it would process Mrs P's request within 5 working days of receiving her instructions and then it would take 3 to 5 working days for it to pay the proceeds. It seems that in this case, with those timescales in mind, CWA were not being unfair to Mrs P with how it dealt with her request and payment of her proceeds.

I appreciate that my decision will be very disappointing for Mrs P, and I acknowledge the strength of her feelings in the submissions she has provided. She has been very clear about what she thinks should have happened here. But after considering all that has been submitted and said, I think the offer that CWA has made to Mrs P to put things right for the mistake it has made, is fair and reasonable.

CWA has made an offer to pay £111.25 for the loss Mrs P has incurred along with £50 for distress and inconvenience. I think this offer is fair in all the circumstances.

My final decision

My final decision is that Countrywide Assured Plc pay Mrs P £161.25, if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 16 December 2024.

Mark Richardson
Ombudsman