

The complaint

Mr L complains that ReAssure Limited has failed to respond satisfactorily to a series of queries he's raised regarding his Assured Protection Plan, which it now administers.

What happened

This matter has been ongoing for several years. As such, I won't provide a full chronology of events, but rather summarise what's happened up to this point.

Mr L has held his plan since 1979. It was made paid up in 2015 and, as noted, its administration is now the responsibility of Reassure. In November 2021 Mr L made enquiries to ReAssure about some aspects of the plan's operation. He received a response but didn't feel that all his questions had been fully answered, particularly in respect of a charge relating to capital gains tax (CGT).

ReAssure delayed following up on his continued concerns. It sent a letter to him in March 2022 providing some information about the CGT situation, but Mr L remained unhappy and referred the matter to this service. ReAssure looked into the matter at this point and issued a final response apologising and offering £100 to Mr L for the distress and inconvenience caused. Our investigator issued a view at the time broadly agreeing with ReAssure's approach and saying that it should also provide Mr L with additional information regarding CGT.

Correspondence then continued between all the parties, culminating in Mr L making a further complaint in 2023, driven by the ongoing failure for full, clear information to be provided by ReAssure, and also because by this point, he'd been told the plan was invested in a fund that appeared to be no longer operating.

ReAssure issued a final response to this new complaint in November 2023, offering Mr L £50 in compensation, a figure it later increased to £200. Our investigator looked into the matter and issued his view on it, setting out his reasons for why he felt the complaint should be upheld. He noted that he'd made repeated attempts to facilitate ReAssure providing the required information to Mr L over an extended period, but Mr L was still without the information he sought. The investigator recommended that ReAssure pay Mr L £600 in recognition of the distress and inconvenience caused to him and also explain how the plan was now invested and follow up on previous issues raised.

No response was received from ReAssure and as such, and in light of Mr L's continued concern, the matter's been referred to me to make a final 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.

As the background set out above makes clear, this has been a long and drawn-out process. There has been much delay, acknowledged by ReAssure at certain points, and much

confusion caused to Mr L by the nature and timing of ReAssure's responses to him. The primary issues being the situation with deductions for CGT from the valuations of the policy and, later, the fund in which the plan's currently invested.

In fairness to ReAssure it has supplied several reasonably comprehensive explanations of matters, for instance in March 2022 and November 2022, along with information in the final responses it's issued. But it seems to be the failure to make the provision of information to Mr L joined up or timely that has created the problem. And it's notable in this respect that ReAssure hasn't provided any response to, or acknowledgement of, the investigator's view of the complaint. This has left Mr L increasingly distressed and I'm very conscious of this in the context of the health concerns that he's detailed to us.

I understand some information about the fund in which the plan's invested has been provided to Mr L fairly recently, since the investigator's view was issued. I've not seen that information but assume it's a follow-up to the information provided to Mr L in the November 2023 final response about the fund he was invested in closing and a new fund being set up.

The final response said the closure was announced to be effective on 23 June 2023 and confirmed that, as such, no information was available for the fund on ReAssure's website. I note a statement for Mr L's plan issued to him in November 2023 showed that he was still invested in the 'closed' fund for which no information was available. I think it's fair to say that it's this type of conflicting information and lack of clarity that has led to the situation faced by Mr L today.

Putting things right

I'm satisfied the last few years of communicating with ReAssure about his plan have been very stressful for Mr L. This is clearly a matter of great importance for him and an integral part of his financial planning. While, as noted, ReAssure has provided some information at several points along the way, as I've said, it's often been delayed, contradictory and confusing.

As such, I agree that a payment of £600, as recommended by the investigator, should be made to compensate Mr L for the distress and inconvenience caused to him by the matter. For clarity, that figure is inclusive of the amounts already offered, but I understand not yet paid, by ReAssure.

I do appreciate however that the receipt of compensation is not Mr L's primary concern. Rather, it's obtaining the information and clarity about his plan that he's been asking for over the last three years. That said, in respect of providing Mr L with the information he requires, I'm conscious that any direction from me around this will by its nature be somewhat ambiguous. Whether the information that's ultimately provided by ReAssure satisfies Mr L will be subjective.

Mr L's primary concerns as things stand focus on which fund his plan is now invested in and the CGT situation. I think the most straightforward way of addressing this is for ReAssure to provide a clear, easy to understand explanation of the current status of his plan, how it is invested, and how any surrender value or benefit would be calculated.

ReAssure should also provide Mr L with an updated explanation of the CGT situation, as far as it's able to. I note it has indicated there is a limit to what it can provide because of the timings involved – in short, its records don't go back far enough. But it should supply what it is able to. It should also provide a direct line of contact to Mr L, so he's able to follow up on any of the provided information.

I'd stress that this is an unusual situation and would note that there must be an element of reasonableness involved. In short, there will be a limit to the information ReAssure can provide and the amount of time it can devote to Mr L's queries. However, that said, I'm confident a satisfactory resolution can be reached, and Mr L's concerns assuaged by way of a clear and prompt dialogue between the parties.

My final decision

For the reasons given, my final decision is that I uphold the complaint and direct ReAssure Limited to pay compensation and provide information to Mr L as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 4 October 2024.

James Harris
Ombudsman