

The complaint

Mr M is unhappy that ReAssure Ltd failed to process a number of his regular pension contributions, and also failed to provide access to his online account portal.

What happened

Mr M had a pension with ReAssure, which he started taking benefits from via a flexi-access drawdown facility. His employer continued to make regular contributions into the plan.

Shortly thereafter, Mr M discovered that these payments weren't been allocated to his pension and queried this with ReAssure. This seemed to trigger ReAssure stopping Mr M from having access to his pension portal. Repeated promises made by ReAssure, over a period of many months, that this would be fixed weren't actioned.

After Mr M complained to ReAssure, they apologised for the mistakes they'd made, and the distress this matter had caused him, and paid him £450 compensation in respect of this. Unhappy with this response, Mr M brought his complaint to this Service, following which in January 2024 ReAssure offered an additional £250 compensation. ReAssure also advised us that access to the portal wasn't part of Mr M's policy terms and conditions but was instead an additional service offered. And it had been suspended because the policy values were incorrect, but it would be reinstated as soon as Mr M's policy issues had been fixed.

Mr M declined the additional £250 compensation offered. He explained he was still unable to access his policy valuation online, nor any part of the portal. He explained he'd made multiple calls to ReAssure to obtain policy valuations, to be repeatedly told it wasn't possible to provide manually calculated ones. He'd been promised written policy valuation updates which didn't occur. He also highlighted that ReAssure's initial offer of £450 compensation was made five months earlier, and problems had continued, causing him considerably more stress and upset. Mr M also explained that he'd been in discussion with his employer about fixing a future (fairly imminent) retirement date, wanting to give his employer enough time to plan for his replacement (Mr M is the CEO). However, because of ReAssure's lack of accurate valuation information, Mr M wasn't able to properly plan ahead, causing him embarrassment with his employer. Taken together, Mr M thought compensation of £1,500 was a better reflection of the extreme distress he'd experienced.

In the subsequent weeks, Mr M was able to access part of the portal, but it still didn't show accurate valuation figures. ReAssure told us that was because they were still trying to apply 'fixes' to the system and couldn't provide an accurate valuation because of this (but one would be sent as soon as this has been fixed). They confirmed access to the online portal had been suspended in the meantime. They also explained Mr M was able to carry out all actions on the phone. ReAssure provided an updated valuation, but a loss calculation could only be done when their system allowed that to happen.

ReAssure also contacted Mr M, providing him with inaccurate information – a statement stating he'd made no contributions that year, and that his employer had made contributions of £294,342.45. Both of these were not true. ReAssure acknowledged they'd received the

regular contributions but had failed to apply them to the policy between February 2023 and December 2023. This meant those contributions may have missed out on potential growth in that period. ReAssure agreed to backdate the application of these funds to Mr M's policy and undertake the necessary calculations to work out (and repay) and investment loss that might have occurred.

Our Investigator thought this was a fair outcome, and in line with what we'd have expected ReAssure to do in the circumstances. But our Investigator disagreed with ReAssure regarding what they'd said about access to the online portal, referring to relevant additional terms and conditions, which he felt showed ReAssure agreed to provide Mr M with access to the portal, albeit with an option to suspend access with reasonable notice, and to terminate the agreement by giving 28 days' notice. But, on the basis ReAssure had suspended Mr M's access because of the underlying issues with the policy and would reinstate it as soon as the policy provided corrected details, he felt that was a fair reason for the suspension.

However, our Investigator did think ReAssure hadn't managed Mr M's expectations fairly, or properly informed him or kept him updated regarding the above events. He referred to limited updates being provided, and a repeated failure to provide Mr M with details of his policy value, or the contractually obligated quarterly updates/valuations. This was exacerbated by ReAssure sending Mr B/HMRC the incorrect statement, creating significant potential tax implication issues with HMRC.

Our Investigator also considered whether Mr M may have lost out, due to a lack of accurate policy valuations, denying him the opportunity to make informed financial decisions. Mr M commented the lack of information may have impacted his decision not to sell his property at that time. However, our Investigator felt this wasn't something that could fairly be attributable to ReAssure's failures here - Mr M was likely aware of the *approximate* value of his pension in June 2023 when ReAssure sent him a valuation (albeit not including the missing monthly contributions). And there was no evidence ReAssure were made aware Mr M was thinking about a property move or advised of the importance of the pension value in any such decision Mr M was thinking of making.

But our Investigator did think ReAssure should provide Mr M with manually calculated (which was possible, notwithstanding the technical issues) valuations if and when he asked for them, with these continuing until the above issues were fixed. Finally, our Investigator assessed the amount of distress compensation ReAssure had offered against Mr M's request that it be increased to £1,900. However, referring to our general awards guidance, our Investigator thought ReAssure's existing offer was fair.

ReAssure accepted our Investigator's View. Mr M did not, however, and felt ReAssure's extra compensation offer of £250 (£700 in total) was insufficient. Also, he still had concerns as he was still unable to access his online portal, more than a year after first raising the matter. And ReAssure had continued to provide statements that were financially incorrect. He also took issue with our Investigator's suggestion that he'd be able to ask ReAssure to calculate his policy value manually – he'd asked for a value multiple times and been told this wasn't possible. Mr M also provided further detail regarding the effect of not being able to fully plan for his retirement. He felt, together, the distress this had caused warranted a total compensation payment of £1,900.

In May 2025, Mr M was given access to his online portfolio, but this still didn't record the missing pension contributions, which totalled in excess of £16,000, which he explained was continuing to cause him great distress.

Our Investigator reconsidered what Mr M had said, but didn't alter his conclusions or recommendations. He explained that ReAssure had acknowledged their systems were at fault for not correctly recording the contributions, and that a loss calculation would be made as soon as they could be accurately recorded in his policy. However, he felt ReAssure should ensure this has been corrected within four weeks.

In respect of ReAssure sending Mr M incorrect policy statements, our Investigator said this was effectively a new complaint point, as it referred to matters that occurred after ReAssure had responded to Mr M's original complaint, and after it had been brought to this service. As such, Mr M would need to raise a new complaint about this.

Our Investigator also remained of the view that Mr M hadn't suffered any tangible financial loss, but recognised a 'loss of opportunity' to consider or make certain decisions may have occurred. However, after considering this, he remained of the opinion that ReAssure's offer of total compensation of £700 was fair.

Mr M responded, explaining that he (as at 17 June 2024) still *didn't* have access to his policy valuation. He had been given access for one day, but it contained incorrect information and was then blocked again by ReAssure. So, in the previous 15 months, he'd had access to (incorrect) information for one day only. Mr M asked that his complaint was allocated for an Ombudsman to review and issue a Decision.

Further enquiries were made with ReAssure regarding Mr M's continued inability to access his online portal, and their agreement to provide him with quarterly valuations. In response, ReAssure provided a copy screenshot showing entries dated 2-3 May 2024 only, showing Mr M raising questions about the value of his policy (including querying why the value showing was nearly £600,000), commenting this was evidence the portal was active. Regarding the quarterly valuations, they said statements had been sent at the end of January and April 2024, with the next one due that month (July 2024).

Mr M then advised he did now have access to the portal, but that it still contained an incorrect valuation, and incorrectly stated there had been no contributions made. Then, a few weeks later, it was inaccessible again. And on 29 July 2024, ReAssure wrote to Mr M to incorrectly advise they'd set up a new Retirement Account with an initial legacy contribution of £91.80 – Mr M subsequently confirming it had been set up in February 2023.

ReAssure also wrote to us to confirm the 'Retirement Account' had been set up, and that backdated premiums would be applied to it at the correct respective dates to ensure no investment growth had been lost. But, ReAssure then apologised for the terminology used in the above letters to Mr M and us, confirming no new Retirement Account had been set up, and that it had been opened in February 2023.

Further to my specific enquiries with ReAssure in November 2024, they confirmed (and provided a screenshot to show) Mr M's account was now fixed and receiving monthly contributions from his employer. It now showed correctly on ReAssure's portal and would accordingly show correctly to Mr M when he logged on. But they advised no loss calculation had been carried out.

Mr M also confirmed he now had access to the portal, but it wasn't clear if a loss calculation had taken place. He also advised HMRC had issued a legal notice requesting documents because ReAssure had provided them with information that he'd exceeded the relevant pension savings annual allowance (the £294k allegedly paid in the 2022/2023 tax year) – a request Mr M complied with, but a process which caused him further considerable distress.

My Provisional Decision

I issued a Provisional Decision (PD) on this case on 22 November 2024. I explained I'd set out, in some detail above (albeit summarised in places) the sequence of events here, and would therefore only refer to key events where necessary in that PD – which said as follows:

The IT issues

ReAssure have explained they had a serious IT issue that prevented Mr M's contributions from being recognised and applied to his policy. I can't criticise ReAssure for that. This Service's role isn't to criticise or punish a business because their IT systems may have issues. Sometimes these things can happen. Rather, we'd look to see how a business treated a customer who was affected by those issues, and the steps they took to ensure a customer was kept accurately updated, and to minimise the distress caused.

Here, it clearly took a very long time for ReAssure to fix the IT problem – it wasn't until October 2024 (so, approaching two years since the problem was first raised) that Mr M's policy correctly reflected the contributions that had been made. Whilst this is clearly a very long time to apply an 'IT fix', I can't make a finding against ReAssure in relation to it. It is/was a business process issue, and as such any concerns about ReAssure's processes would be better raised with their regulator, the Financial Conduct Authority.

In terms of the portal access, I agree ReAssure do not have a regulatory obligation to provide online access to policy information – providing online access isn't a 'regulated activity' under the FCA's Dispute Resolution (DISP) Rules. But, echoing what our Investigator said, ReAssure did have a contractual obligation to provide such access, albeit within certain parameters as mentioned above.

But I don't think it was unreasonable, in principle, for ReAssure to suspend access to this until they could be sure it was able to display completely accurate information – to have done otherwise would have resulted in Mr M (and likely others in his position) being provided with knowingly false valuation information, which has/had the capacity to cause significant detriment to relevant policy holders.

That said, it appears clear that Mr M experienced confusion and distress caused by the inaccurate information available via the portal to him in the short periods when access was available. I'll deal with the issue of compensation for distress caused below.

Financial Loss

ReAssure have now applied the employer contributions to Mr M's policy, but without, it seems, having undertaken the loss calculation they agreed they'd do. Undertaking a loss calculation is something our Service always requires a business to undertake in situations such as this. Had the contributions been applied correctly and on time each month, each of those contributions would have been subject to investment gains (or losses) that the policy would have generated over time. This calculation needs to be done for each contribution that was made, and not applied correctly – and is something I'll be requiring ReAssure to do as part of the redress here. I'll set out those requirements in detail below.

Consequential loss

Mr M said the lack of meaningful or accurate data meant he wasn't able to fully consider whether to sell his home, and he missed out on selling it at a time when valuations in his area were particularly strong.

Whilst I sympathise with Mr M here, I agree with our Investigator in saying this isn't something I can fairly hold ReAssure responsible for. Mr M was aware of the amount of funds initially invested (circa £300,000), and the approximate aggregate value of the contributions that had been made. He'd have likely or should reasonable have likely had a good idea what the total policy value was worth. Yes, there would have been small investment increases or decreases in value over the period in question, but not materially so.

And, further echoing a point made by our Investigator, I've seen no evidence to show a house sale (and subsequent purchase) was actively considered, and that Mr M made ReAssure aware that he needed an accurate valuation at a given point in time – and that he'd lost out on a sale or purchase as a direct result of not being provided with this information. Accordingly, I won't be asking ReAssure to do anything further regarding this.

ReAssure's written communications with Mr M

I think it's clear from the history above that ReAssure's communications with Mr M have been below an acceptable standard. This extends to their communications with his employer and HMRC. ReAssure have accepted this, on a number of occasions over time. As such, I don't need to go into detail about each one here.

But, some of these communications have taken place after Mr M raised his complaint with ReAssure, and would not have been assessed by ReAssure prior to issuing their final complaint response letter. That said, ReAssure were made aware, through communications with our Investigator, that these issues continued. And it's been more than eight weeks (the time the DISP Rules give a business to respond to a complaint before our Service is able to consider it) since ReAssure were made aware of them. Accordingly, rather than ask ReAssure to respond to them as 'new' complaints, for the purposes of convenience and speed (for both parties) I'm going to consider them as part of this complaint. They are effectively extensions of the initial complaint point raised. And I'll address the distress caused by all of these communications below.

Subsequent issues with HMRC

This too is a 'new' complaint point, it only having surfaced in the months after Mr M had complained to ReAssure. Ordinarily, we'd expect this to be raised as a new complaint point, giving ReAssure an opportunity to investigate and respond, as it is materially distinct from the initial complaint. However, for the reasons explained above, and conscious that this mistake wouldn't likely have occurred had Mr M's monthly contributions been applied when received, I'm going to consider it now, and make a finding accordingly. If either party feels this is not appropriate, then they can explain why by return, and I'll consider their comments.

ReAssure admit they sent incorrect information to HMRC, particularly when they significantly overstated the amount that had been paid into Mr M's policy in the 2022/2023 year. And it appears that this mistake has caused ramifications for Mr M, resulting in HMRC opening enquiries with him. I'll deal with the distress element of this matter below, but here I want to focus on the practical element, and ramifications of that mistake.

First and foremost, ReAssure (if they haven't already) must write to HMRC to alert them of their mistake – and provide correct/updated information about the amounts that Mr M did pay into his pension policy with them. And I think it's reasonable to compel ReAssure to do this within 14 days of being notified of Mr M's acceptance of a Final Decision here (assuming he does accept it).

Furthermore, I think it's fair ReAssure must provide a copy of any such communications they send to HMRC in this regard (or in subsequent communications with them on this matter) to Mr M within seven days of any such letter being sent or received by them from HMRC. I think this is necessary, as it will provide Mr M with comfort the matter has been addressed.

Assuming all of the above is done (if not done already), I wouldn't expect Mr M to incur any HMRC penalty, or suffer any financial detriment, as a direct result of ReAssure's mistake. But, if any such penalty or detriment does occur, Mr M will then need to consider raising this as a new complaint with ReAssure.

Distress and Inconvenience (D&I) – Compensation

ReAssure have already paid Mr M £450 compensation. And they offered a further £250 in January 2024. Clearly, matters have dragged on, and accordingly I think a higher amount of total D&I is warranted here.

Taking everything into consideration, and particularly the significant added stress caused by HMRC opening an enquiry with Mr M, I think a total D&I award of £1,100 is warranted here – so an additional £650 above what ReAssure originally paid. Mr M's distress has been caused by repeated mistakes and delays. He has been constant in his exchanges with us, and with ReAssure, that this matter has caused him continuing stress and worry. I have no reason to doubt what he says.

I appreciate that Mr M wanted a higher amount, but I must explain that the amounts this Service awards for D&I are fairly modest in value. Our D&I awards are not designed to punish a business, but rather to put a monetary value on the distress a business' actions have caused. Guidelines setting out our approach to such awards can be found on our website. And, having careful regard to our guidelines on this subject, I think an extra D&I award of £650 is appropriate here.

I should also clarify that this award reflects the distress caused to Mr M only. He's mentioned the frustration caused to his employer by the HMRC matter, but that isn't something I can take into account here.

I also set out in detail the steps I thought ReAssure should take to put things right, which I briefly summarise as:

- Undertake a loss calculation in relation to the missing monthly contributions and pay any loss into Mr M's pension to return it to the position it would have been in had the contributions been applied on time.
- Provide Mr M with clear details of those calculations
- Make enquiries with HMRC, as necessary, to ensure Mr M suffers no detriment as a result of the incorrect contribution details having been provided to them, providing copies of all such communications
- Pay Mr M a further £650 compensation.

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.

Mr M has responded, to confirm acceptance of my PD. ReAssure have also responded, agreeing with my findings.

However, on the basis they have now credited/applied Mr M's missing contributions to his policy, as at the date they should have been applied, ReAssure questioned whether there was any need for a loss assessment to be undertaken. ReAssure provided screenshots showing the full missing monthly contributions (£1,149.49) having been applied to his policy on 21 October 2024, recorded against the correct respective due dates.

Whilst I'm satisfied this shows the contributions were applied, the screenshots provide no information about the ongoing policy fund value. There is no entry to suggest any extra amount credited that represents lost investment growth over the relevant period (assuming there was one, or course).

I responded to ReAssure, explaining that I still felt a loss calculation was needed. Had those respective contributions been received on their correct dates, they'd have each experienced investment gains or losses – as the value of the pension moved in line with changes in unit prices and investment performance over time. As I'd explained in my PD, loss calculations would need to be done to reflect those likely gains/losses.

I invited ReAssure to provide any evidence that this exercise/loss calculation *had* taken place, and just hadn't been communicated clearly to me, but no response has been received. Accordingly, I still require ReAssure to undertake a loss calculation as previously suggested, and as set out below.

Regarding contact with HMRC, ReAssure asked for Mr M to provide details of the person or people he had been dealing with, so they could target their communications. Also, they suggested they may be asked by HMRC to provide a signed letter of authority from Mr M, permitting them to speak/deal with HMRC regarding his pension contributions. I think these are fair requests in the circumstances and will help avoid any potential further delays in this element of Mr M's complaint being resolved. Accordingly, I'll include these requirements in my final redress, as detailed below.

Putting things right

- ReAssure must undertake a detailed loss calculation – within 28 days (which allows sufficient time caused by Christmas holiday delays) of being notified of Mr M's acceptance of this Final Decision – in respect of the monthly contributions that were applied late to the policy, to ensure the value of the policy is what it *would* have been had those contributions been applied correctly when received by ReAssure (allowing for usual processing periods and deduction of any management fees that would have been applied).
- If this calculation shows there has been a loss, ReAssure will need to pay a sum equivalent to that loss into Mr M's pension. However, if no loss is shown – because, for instance, the policy and each contribution has essentially lost value over the period in question – then no compensation needs to be paid into the plan.
- Any such payment must be paid into Mr M's pension within seven days of the calculation being completed.
- ReAssure will need to provide Mr M with evidence this has been done, in a clear and understandable format, within 14 days of the calculation being completed.
- Upon Mr M providing relevant HMRC contact details and/or a letter of authority if so required by HMRC, ReAssure must write to HMRC (if not already done) to alert them of the correct sums that Mr M (and/or his employer) has paid into his pension, within 14 days of being notified that Mr M has accepted a Final Decision.

- ReAssure must also provide a copy of such communication to Mr M within seven days of it being sent to HMRC, together with a copy of any communication received from HMRC on this matter within seven days too.
- ReAssure must also pay Mr M a further £650 compensation for distress caused, within 14 days of being advised that he has accepted this Final Decision.

My final decision

For the reasons set out above, I uphold Mr M's complaint against ReAssure Ltd and require them to compensate him in the manner set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 10 January 2025.

Mark Evans
Ombudsman