

## **The complaint**

Mrs L complains about the poor service and delays she faced when trying to set up online access and fully encash her personal pension plan (PPP) provided by ReAssure Limited.

## **What happened**

The background to this complaint was outlined in detail by our investigator in her assessment, which was shared with both Mrs L and ReAssure. I won't repeat that in full here, but I will provide a summary of the key points.

In 1997, Mrs L started a PPP provided by Legal & General. Several years later she stopped paying regular contributions into her PPP when she left the UK and moved overseas. The PPP remained invested. ReAssure later acquired ownership of certain Legal & General policies including Mrs L's PPP.

In July 2023, Mrs L attempted to register for ReAssure's online portal but faced delays due to missing address information, which led to a prolonged process of ReAssure requesting information and updating its records. Despite repeated follow-ups, Mrs L only gained portal access in May 2024 and encountered further delays when trying to encash her PPP, including issues with submitting required forms and receiving appropriate documentation for her overseas bank account. These ongoing service failures led her to raise a formal complaint in June 2024 before she fully encashed her PPP in December 2024.

### *This complaint*

ReAssure upheld Mrs L's complaint, acknowledging that it had provided a poor level of service and caused avoidable delays. It explained that after updating Mrs L's address, she faced further delays accessing its online portal due to unresolved technical issues, which were not addressed within a reasonable timeframe. ReAssure also accepted that there was a missed opportunity to complete a required risk assessment by phone, which contributed to the delay in processing her request to fully encash the PPP.

In recognition of these service failures, ReAssure initially offered Mrs L a £300 goodwill payment and committed to carrying out a loss assessment to determine whether the delay in encashing the PPP had caused her any financial loss. This goodwill offer was later increased to £315.

Mrs L didn't accept the offer and referred the matter to the Financial Ombudsman Service. One of our investigators reviewed the case, recommended that ReAssure revise the methodology used in its proposed loss assessment, and explained to Mrs L the steps needed to complete the process. This led to further correspondence between the parties.

In December 2024, Mrs L fully encashed her PPP for £57,658.82, enabling ReAssure to complete its loss assessment. The assessment concluded that, had there been no delay, the encashment value would have been £51,677.01. This meant Mrs L was actually better off due to the delay, and therefore no compensation was due for financial loss.

Mrs L accepted the outcome of the loss assessment. However, she felt that the £315 offered for the distress and inconvenience caused by the delays and poor service was insufficient. She explained her reasons to our investigator and also requested that any compensation be paid by bank transfer rather than by cheque.

Our investigator considered Mrs L's additional comments but concluded that the £315 goodwill payment was a fair and reasonable resolution for the distress and inconvenience experienced. She explained her reasoning to Mrs L. As no agreement was reached, this complaint has now been escalated and assigned to me for further review.

### **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've considered all relevant laws, regulations, regulatory rules, guidance, standards, and codes of practice, as well as what I believe represented good industry practice at the time. Where the evidence is unclear or conflicting, I've made my decision based on the balance of probabilities – that is, by weighing the available evidence and surrounding circumstances to determine what I believe is more likely to have happened.

I'd like to clarify that the purpose of this decision is not to address every individual point raised by the parties. If I haven't commented on a specific issue, it's because I don't believe it has a material impact on the overall outcome of this complaint.

### **My findings**

I've reviewed all the evidence again, including the additional comments Mrs L provided in response to our investigator's assessment. After carefully considering everything, I agree with the investigator's conclusion – and for the same reasons.

It's not in dispute that ReAssure provided a poor level of service and caused avoidable delays when Mrs L was trying to set up online access and fully encash her PPP. ReAssure has acknowledged these failings and accepted that it made errors. The only issue that remains is how Mrs L should be compensated.

### **Compensation considerations**

To clarify for Mrs L, the Financial Ombudsman Service generally considers two types of compensation:

- **Financial loss** – where the consumer has lost money as a direct result of the business's actions or inaction.
- **Non-financial loss** – which includes distress, inconvenience, or other emotional impact caused by poor service.

In this case, it's already been established that Mrs L didn't suffer a financial loss due to the delay in encashing her PPP. In fact, she made a financial gain as a result of the delay. Mrs L has confirmed that she accepts the outcome of ReAssure's loss assessment.

That leaves the question of whether compensation for non-financial loss is appropriate. Awards for distress and inconvenience are typically modest. I note that our investigator shared a link with Mrs L explaining our general approach to such awards.

Taking everything into account, and given that Mrs L didn't suffer a financial loss, I consider ReAssure's offer of £315 for the distress and inconvenience she experienced to be fair and reasonable.

### **Putting things right**

I understand that Mrs L has already received a cheque for £315 from ReAssure but hasn't yet deposited it, pending the outcome of this complaint. I believe the cheque was issued more than six months ago. This is important because, in the UK, cheques are generally considered valid for six months from the date of issue. After that, banks may refuse to honour them, although this is a banking practice rather than a legal rule. I'm also not aware of the banking practices in the overseas country where Mrs L currently resides, so it's unclear whether she will still be able to cash the cheque.

To ensure Mrs L receives the compensation she's entitled to, I direct ReAssure to take whatever steps are necessary to ensure payment of the £315, in line with its previous offer. This should be completed within 28 days of receiving Mrs L's acceptance of this final decision.

Mrs L has asked that the compensation be paid by bank transfer rather than by cheque. While I cannot require ReAssure to do this, I would encourage it to consider her request and make the payment by bank transfer if it's able to do so.

### **My final decision**

I uphold this complaint and direct ReAssure Limited to pay £315 compensation to Mrs L, as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 2 July 2025.

Clint Penfold

**Ombudsman**