

## The complaint

Ms B complains that ReAssure Limited (ReAssure) didn't apply a single premium contribution she wanted to make to her stakeholder pension. She said the matter had taken over six months and she still hadn't had confirmation that it had been applied. She said the matter had caused her significant stress at a time when she is trying to plan for her retirement, and she has spent a great deal of time trying to get the matter resolved and now in having to make her complaint. She also complained about other administrative errors and delays she thought ReAssure had caused.

## What happened

Ms B holds a stakeholder pension which is now administered by ReAssure. In August 2024 she wanted to pay a single premium into her plan and when she was advised of ReAssure's requirements she completed the required paperwork and sent a cheque for the amount she wanted to invest. Ms B was asked to provide some further information – which she did, but she didn't receive confirmation the premium had been applied. After making several update requests, including an initial complaint in October 2024, Ms B made a formal complaint about the delays and lack of confirmation in December 2024 – which was when she also received a letter about a missed contribution to her plan which Ms B said she was completely unaware of and didn't seem to relate to her plan.

In January 2025 ReAssure responded. It said it would now apply the backdated single premium and adjust any loss of investment. It apologised for any inconvenience caused and paid Ms B £350. Ms B said ReAssure had told her this would all be completed within 10 working days, but when she checked her account after that time the money hadn't been applied, and she hadn't received her compensation. She also hadn't heard from ReAssure about her complaint relating to the erroneous letter about the missed contribution.

Also around this time Ms B received her annual stakeholder pension statement but she noted that it said ReAssure hadn't received any contributions to her plan. As Ms B also made regular monthly contributions to her plan – as well as the recent single premium contribution – she asked ReAssure to confirm that her premiums had been applied. She also found a similar discrepancy in an earlier statement. ReAssure sent Ms B a transaction history of the last few years of her plan but this didn't reassure Ms B.

So, because of the ongoing and additional issues, Ms B wanted confirmation that her plan had been correctly administered since ReAssure took it over and she also no longer felt the compensation that had been offered was sufficient. She brought her complaint to us where one of our investigator's looked into the matter.

ReAssure then told our investigator that:

- All the premiums had been received but due to a systems error they weren't showing on Ms B's online portal. They were being held in a "suspense account." It said it was trying hard to correct the errors and, as soon as this was completed, would confirm to Ms B that all the premiums had been allocated to the plan and any investment growth arising from the backdating of premiums would also be applied.

- The letter that was sent to Ms B on 22 November 2024 had been sent in error and should be ignored.
- It would increase its offer of compensation to £500 to reflect the additional errors and delays and further inconvenience caused.

The investigator didn't think ReAssure had acted fairly in this case, but thought that its offer of compensation and to backdate all the contributions that hadn't been applied and ensure this information was issued to Ms B when the system had been corrected was fair and reasonable.

Ms B didn't agree. She said:

- To date ReAssure still hadn't told her, or this service, when the issue around her pension contributions would be resolved.
- ReAssure hadn't provided updated annual statements noting the contributions she thought were missing and confirming the up to date value of the fund.
- She wanted to know whether if she accepted the offer of compensation this would exclude her from continuing the complaint until it was resolved - or making a new complaint if required.

The investigator set out the "next steps" Ms B could take, but confirmed that we had no control over when the systems issue might be resolved and didn't have the regulatory powers to direct ReAssure to resolve that by a certain date. Although if when it was resolved Ms B still believed there were errors within her plan she could raise a new complaint about that matter.

Ms B said she retained little faith that ReAssure would resolve the issue and, as it still hadn't provided a deadline by which the system would be corrected – and still hadn't provided the corrected annual statements, she asked for her complaint to be referred to an ombudsman.

Subsequently ReAssure said it was producing corrected annual statements for Ms B and would issue them as soon as possible. But as it was still unable to provide a deadline for the systems issue to be fixed, the complaint has been passed to me to 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.

And having done so I've reached the same conclusion as the investigator. So I'll set out my reasons below.

#### **The outstanding issues that ReAssure hadn't resolved for Ms B**

I was pleased to learn that ReAssure has now issued corrected annual statements to Ms B and has confirmed all her regular and single contributions have now been applied to the pension plan and backdated to the date they were made.

I haven't seen anything to confirm that Ms B has been able to cross reference her records against the now corrected systems information, but Ms B has been made aware that if she isn't satisfied with the information and can evidence that there are still errors with the allocation of her premiums or value of her plan she can raise this as a new complaint – firstly with ReAssure and then to us if she remains unsatisfied.

But Ms B did confirm that she still wanted her complaint to be looked at by an ombudsman because she thought the compensation she'd been offered was insufficient when considering the stress she'd suffered and the significant amount of time she'd spent trying to resolve the matter with ReAssure and then through ourselves.

So that's my main consideration here, to determine whether the compensation offered is fair and reasonable in relation to the impact this whole matter has had on Ms B.

#### ReAssure's errors, lack of information, and delays in applying funds to the plan

I've seen evidence which shows that on 30 August 2024 Ms B completed the necessary paperwork, along with the required payment, to invest a single premium into her pension plan. Initially ReAssure didn't acknowledge receipt of the payment and re requested the same information from Ms B – which she completed. On 12 September 2024 ReAssure did confirm it had received the payment although over the next month Ms B was required to complete some outstanding administrative tasks. But after those were completed Ms B received no further updates about the application of her payment and no confirmation it had been applied to her plan.

ReAssure hasn't been able to provide sufficient explanation for these delays or lack of information except that it had suffered a systems error and was unable to apply premiums to the plan and show its correct up to date position on the online portal. Such system errors do happen to firms from time to time, but in such a situation I would have expected ReAssure to give Ms B a full and clear explanation of events to manage her expectations and give her the opportunity to make alternative arrangements. I haven't seen anything to support the idea that ReAssure did this and so I can understand the ongoing trouble and upset Ms B would have suffered. Not knowing that a significant amount of her savings had been paid into her pension would undoubtedly have caused her to worry over what was a protracted period of time.

But while this situation continued Ms B received her annual pension statement and noted, despite having paid the single premium and made her usual monthly regular contributions throughout the year, that it stated no contributions had been made to her plan that year. This caused Ms B to review her previous statements, and she discovered that same "mistake" to have occurred on at least one of the others. She asked ReAssure for an explanation, and to send her a complete history of transactions made to her plan along with corrected annual statements. I understand she didn't receive those statements until very recently and therefore was unable to reconcile the payments she'd made from her bank with those allocated to her pension.

Understandably Ms B told us how this impacted her. She said she'd reached an age when she was planning her retirement and couldn't be sure of the position she was in or make forward plans. She said she started to doubt how many more contributions had been missed from her pension and even wished she'd invested with another provider because of the lack of clear information and general mismanagement of her plan. She felt this additional problem added to the stress she was suffering over the entire matter and meant she had to spend more time and effort in trying to sort things out with ReAssure – who she thought continued not to provide the information she'd requested or to provide reasons for the "missing" funds and delays.

In December 2024 Ms B received what can now be seen as an erroneous letter from ReAssure. It told her about an unpaid contribution of £450 – due in October 2024 – from her pension plan. As Ms B only paid £40 per month into her plan she complained about the letter as well as formalising her earlier complaint around the single premium application.

I can imagine that on top of the other outstanding issues at this time, not only would Ms B have been concerned about a request for unpaid contributions that she wasn't aware of, but this would have added to her sense of frustration about ReAssure's overall management of her plan. Ultimately ReAssure has told us that the letter was sent in error and should be disregarded, which I hope is sufficient for Ms B to close off this ongoing concern, but it took nearly four months for ReAssure to provide that simple answer which would only have prolonged the period during which Ms B would have remained concerned.

I've set out this detail of my findings around the main complaint points (outside of the request for corrected statements and a deadline for when the systems error would be fixed) relating to ReAssure's service and administration to highlight the impact all of this would have had on Ms B. I don't take lightly the amount of distress and inconvenience Ms B would have experienced because of these errors, lack of explanations and updates, and delays. But ReAssure has more recently increased its offer of compensation for the impact on Ms B to £500. So I've considered this offer carefully.

Our role isn't to fine or punish a business when considering an award for compensation, but to recognise the impact that, in this case, ReAssure's mistakes/delays had on Ms B. I've considered the consequences this had on Ms B as well as the timeframe over which the distress occurred – as well as other factors. Where the impact of a mistake has caused considerable distress, upset and worry – and significant inconvenience and disruption requiring a lot of effort to sort out, we might think it fair to usually award between £300 and £750. In this case I've also taken into account that the impact on Ms B lasted for many months, so I think an award somewhere between these figures is fair and reasonable. So as ReAssure has offered £500, which is within the range of what I would have recommended, I think it's fair and reasonable in the circumstances of Ms B's complaint.

I also note that Ms B says ReAssure's action deprived her of the opportunity to invest her funds differently, for example into her other pension plan. She said if she'd been advised of ReAssure's problems she could have considered this alternative. I don't dispute the inconvenience ReAssure's actions caused, one of which may have been to consider investing elsewhere. But I haven't seen any evidence that Ms B had considered a different course of action at any point. In any case as ReAssure has said it will ensure Ms B's contributions are all backdated to when they should have been applied, I can't see that she's suffered any financial loss as she will be in the position that she now ought to be in having decided that she wanted to invest in her ReAssure plan in the first place. She may have lost the *opportunity* to do so, but I think any such loss of opportunity is covered by ReAssure's compensation offer in that respect – which I've already said I think is fair and reasonable in *all* the circumstances of her complaint.

In summary Ms B has, for a prolonged period of time, experienced difficulties with ReAssure which were caused, in the main, by problems with its systems and the provision of some incorrect annual statements. I understand the system fix is now in place and the contributions in question have now been applied. I also understand corrected statements have been issued. Ms B has her own records of transactions she's made so I think it's for her to satisfy herself that everything is now accounted for and her online account reflects the correct position. If she can evidence that the explanations given by ReAssure around the contributions aren't correct and ReAssure maintains that they are, she can raise that as a new complaint with ReAssure.

But I can't see the difficulties which arose have caused any financial loss to Ms B, and the amount offered for the distress and inconvenience caused is, in my view, fair and reasonable. I hope this will give Ms B some closure over this matter, and that the administration of her plan will be smoother over time and now allow her to plan positively for her retirement.

### **Putting things right**

During our investigation ReAssure made an offer of £500, which is an additional £150 on top of the £350 it has already paid to Ms B, for the distress and inconvenience it caused. Based on what I've seen I think that offer is fair and reasonable in all the circumstances, so ReAssure should pay Ms B a total of £500.

### **My final decision**

For the reasons that I've given I uphold Ms B's complaint against ReAssure Limited.

ReAssure Limited should pay Ms B a total of £500, which includes the sum it may already have paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 24 September 2025.

Keith Lawrence  
**Ombudsman**