

The complaint

Mr B complains that ReAssure Limited has provided misleading information to him about his whole of life policies in respect of the sum assured and the process of reassignment following his divorce from Mrs B.

What happened

Mr B and Mrs B originally took out Legal and General ('L&G') whole of life cover in February 1989 (split across an original parent policy and two later linked policies from 1992 and 1998). For ease of reading, I will refer to the policies collectively hereafter as 'the policy'. In 2003, Mr B enquired about the assigning policy following his and Mrs B's divorce, since he paid the premiums. He was sent an assignment pack so the policy owners could be changed to Mr B holding the cover on a sole basis. Mr B says he believed this was completed in 2005.

In 2004, a complaint was made to this service about L&G's administration of the policy, which resulted in a final decision being issued by one of our ombudsmen. It was recorded that the policy had a Guaranteed Death Sum Assured of £16,694 and that unlike most whole of life policies, it would not be subject to future reviews.

In 2019, the operation of the policy was taken over by ReAssure and at that time, the policy remained recorded as being jointly owned. Correspondence including annual statements continued to be issued to Mr B and Mrs B. Mr B also wrote to ReAssure to clarify that the premium and sum assured for the policy would remain unchanged and he and Mrs B were given a written assurance in September 2020 to that effect.

In February 2024, an annual statement was issued for the policy which incorrectly showed the policy's sum assured – for both Mr B and Mrs B - as £9,924.

Mr B complained to ReAssure that the sum assured was wrong. The matter was resolved by ReAssure in March 2024; it agreed it had made an error and the sum assured was in fact £16,694. ReAssure explained that the error took place because it hadn't prevented an automated review letter being produced - that was triggered because most whole of life policies were subject to reviews five yearly and thereafter annually, but Mr B and Mrs B's policy had a non-reviewable premium and sum assured. ReAssure apologised and paid Mr B £200 for the impact of the mistake.

On 28 February 2025, Mr B complained to ReAssure. He said the most recent annual statement issued to himself and Mrs B still showed the policy's sum assured as £9,924 not £16,694, despite ReAssure's assertion that the policy's sum assured was corrected due to the automated review issue in 2024. He said he believed that he ought to be paid compensation for the inconvenience and ongoing upset he'd been caused.

On 22 April 2025, ReAssure upheld the complaint. It apologised for technical errors, which meant it had again mistakenly referenced an incorrect sum assured. It confirmed the correct sum assured for Mr B and Mrs B was £16,694 should either of them pass away – with a higher payment if the policy's underlying fund value exceeded this figure. To resolve the complaint, it offered to pay Mr B £300 to his account as it was being used to pay the policy's

monthly premium.

Mr B rejected the £300 offer. He told ReAssure that he sought £500, as this issue was one of a long series of administrative concerns. He continued to correspond with ReAssure about the assignment of the policy, which entailed calls and emails in May 2025. On 9 June 2025, ReAssure informed Mr B he and Mrs B could reassign the policy without affecting the sum assured. It sent them out a reassignment pack on 19 June 2025.

He also brought the complaint to this service, and in so doing he recounted his and Mrs B's entire history of issues with ReAssure and earlier, with L&G. In addition to the issues with the policy's sum assured, he complained that he'd been put to further inconvenience by having to liaise with ReAssure to reassign the policy.

In the interim, ReAssure agreed to increase its offer of compensation to £500.

One of our investigators reviewed the complaint. He initially confirmed that only the most recent aspect of the complaint (the matters from 2024 onwards) could be considered due to the six-year and three-year time limits applying to the Financial Ombudsman Service.

In respect of the complaint points that fell within our jurisdiction, the investigator believed they ought to succeed. He felt ReAssure's revised offer to resolve the complaint was reasonable in all the circumstances, given it had caused Mr B distress over many months.

Mr B said he disagreed and wanted the complaint to be passed to an ombudsman. He said, in summary:

- He accepts the issues from 2005 can't be considered; he raised these in his and Mrs B's original complaint form to merely demonstrate the ongoing saga of concerns.
- However, he still was put to additional efforts recently in trying to resolve the assignment issue.
- He had to write two further letters to the chief executive in order to get ReAssure to comply. This was in addition to writing to it in February 2025 upon the further sum assured error.
- He doesn't feel the compensation is appropriate. Mr B contends that £4,000 compensation is a fair and proportionate figure to reflect the considerable distress he has been caused over almost 35 years – rather than weeks or months.
- He also wants this service to compel ReAssure to provide a form of binding guarantee that it will not make any further 'technical errors' with the sum assured, so he doesn't have to complain again.

ReAssure didn't have any other comments to add. The complaint has now been passed to me.

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 thank both parties for their patience whilst this matter has awaited referral to an ombudsman given the current demand for our service.

I've set out the background to this complaint using my own words, citing what I find relevant. And, in reaching my conclusions, I've focused solely on what I consider are the key issues in

the complaint. Our rules allow me to take this approach; it simply reflects the nature of our service as a free alternative to the courts, and no discourtesy is intended by it.

It's also important that I make the parameters of this complaint clear. I understand Mr B now accepts that matters from 2005 cannot be considered in my decision. That is because – as our investigator explained – this service is subject to time limits for complaints as set out in our rules, and these cannot be disregarded. In addition to pursuing a complaint within six months of the final response from a business, complainants must also complain to the business within six years of the event being complained about or within three years of when the complainants became aware of their cause to complain.

In this case, Mr B and Mrs B knew of their cause for their complaint sometime from 2005 (triggering the three year limit) when Mr B says they believed assignment had taken place, or in any event they needed to complain six years after their failed request – so by 2011 at the latest. Instead, no confirmation regarding assignment was given and correspondence continued to be issued in the names of both parties. That aspect of this complaint is therefore out of time.

I have gone on to look at the other aspect of the complaint relating to the administrative issues regarding the policy's sum assured. Having reviewed everything carefully, I agree with the outcome reached by our investigator. That means I will be upholding the complaint – though not on the basis Mr B has sought – for these reasons:

- I am pleased to note that both parties agree ReAssure has made an administrative error with the policy's sum assured, for which it ought to put matters right for Mr B and Mrs B. The appropriate manner to do that was to confirm the correct sum assured – something ReAssure has done.
- I appreciate Mr B wants ReAssure to provide a form of binding guarantee that the mistake with the sum assured won't happen again. I believe ReAssure's letter to Mr B dated 25 April 2025 provides a reasonable declaration to that effect.
- ReAssure said *"Please rest assured that I am very sorry for the incorrect information included in your annual statement dated 12 February 2025, and I have personally taken steps to make sure this mistake is not repeated. I can confirm that we have your guaranteed death benefit sum assured recorded as £16,694, and that this will be paid on the death of either Mr [B] or Mrs [B]. The value of the fund would be paid if it's higher than £16,694. This guarantee is subject to continued payment of your monthly premium due at an amount of £25.97."*
- What this service does is consider if a business has treated its customer(s) unfairly because of its actions or inactions. And if it has done so, we then go on to consider what ought to be done to put the mistake(s) right. In this case, ReAssure failed to provide correct information about the guaranteed death benefit on the policy statements despite confirming in 2024 that it would not make this mistake again.
- I don't believe that ReAssure has intentionally made mistakes with the sum assured – though I know how frustrating this is for Mr B. However, I can't pre-emptively direct ReAssure to never make a further error or make a direction for something that hasn't happened yet. I do however, believe ReAssure has fairly and clearly confirmed in writing for Mr B and Mrs B (prior to any assignment of the policy) of the correct amount of death benefit for the lives assured in return for the continued monthly premium for the policy – so Mr B can rely upon this to be correct.

- As well as putting right any financial losses in a complaint (though there are no losses in this circumstance but rather an administrative error that required correcting), we also consider the emotional or practical impact of any errors on a complainant.
- Overall, I believe the proposed payment of £500 was reasonable in the circumstances where ReAssure caused upset and frustration for Mr B in 2025. The mistake had a medium-term impact on Mr B since it took a few months to liaise with ReAssure in respect of his concerns.
- I cannot look at the wider period of impact upon Mr B that he has referred to (the entire history of holding the cover since 1989) because this service isn't able to review events that took place more than six years ago under our time limits.
- Though one such issue did occur within the last six years (the erroneous annual statement of February 2024), this was already complained about at that time and resolved by ReAssure. ReAssure sent Mr B a final response letter dated 22 March 2024 but since he accepted its £200 offer, he did not pursue a complaint to this service. So I can't look at the impact of the 2024 mistake when considering an award for upset, because ReAssure already paid Mr B agreed compensation for that error.
- My consideration of the impact on Mr B stems solely from the events that began with the incorrect policy information issued in February 2025 which necessitated him making another complaint on the same basis as the previous one in 2024. As an eligible complainant (at that time one of the policy owners) I can consider the effect ReAssure's error had on Mr B.
- I realise our investigator has provided some explanation already but it may also be helpful for Mr B to review the guidance available on our website. This explains the amounts and types of awards made in instances of upset, trouble, inconvenience and distress caused by businesses in the complaints we see at this service.
- I recognise Mr B feels that the compensation ought to be higher, but I do not agree an award of £4,000 is appropriate in these circumstances. When we consider awards of this nature, we do not fine or punish businesses; the Financial Conduct Authority undertakes the role of regulator. Instead, we consider the impact upon a complainant for the relevant period. In this case, that period is from February 2025 to May 2025, when the complaint was brought to this service.
- I believe £500 is an appropriate payment for a material error about the value of the policy's death benefit which caused particular frustration for Mr B against a background where he held notable ongoing concerns about the accuracy of policy information. ReAssure has already made a revised £500 offer. That offer is within the range that I would otherwise consider where significant inconvenience and/or considerable upset was caused by a business' error or a series of mistakes.

Putting things right

I believe that ReAssure has taken reasonable steps to resolve the complaint, by apologising to Mr B, giving a written confirmation as to the position with the correct sum assured for the policy, and by offering to pay him £500 for the upset he had been caused by the impact of its mistake against a background of reasonable concerns held by Mr B. I think this offer is fair in all the circumstances. I note Mr B did not accept this offer. So, my decision is that ReAssure

should pay £500 to Mr B, as it hasn't been able to make that payment to him to date.

My final decision

For the reasons explained, I uphold this complaint. I direct ReAssure Limited to pay Mr B £500. I make no other award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs B to accept or reject my decision before 10 March 2026.

Jo Storey
Ombudsman