

Ombudsman's Determination

Applicant	Mr M
Scheme	ReAssure Stakeholder Pension Plan (the Plan)
Respondents	ReAssure

Outcome

1. Mr M's complaint is upheld and, to put matters right, ReAssure shall ensure that his Plan account is brought up to date. ReAssure shall ensure that Mr M is not financially disadvantaged by its maladministration. So, it shall arrange for contributions to be invested at the date they should have been.
2. In addition, ReAssure shall pay Mr M £1,000 for the serious distress and inconvenience it has caused him.

Complaint summary

3. Mr M has complained that ReAssure has failed to invest his contributions into the Plan.
4. Mr M has said that his Plan account is underfunded by £6,453.78.

Background information, including submissions from the parties

5. In May 2004, Mr M joined the Plan which was then with Legal & General.
6. On 7 September 2020, the Plan was transferred as part of a bulk transfer of pension plans from Legal & General to ReAssure.
7. Following the bulk transfer, Mr M remained an active member of the Plan. Mr M provided copies of the payslip information provided by his employer covering the period from September 2020 to July 2022 which detailed the pension contributions deducted from his pay and the corresponding employer contributions. These contributions amounted to £6,453.78. A breakdown of the contributions has been included in the Appendix.
8. In September 2020, Mr M became aware that his contributions were not showing in the Plan. So, he contacted ReAssure to query the issue.
9. Over the next eight months, Mr M contacted ReAssure on numerous occasions in an attempt to find out what had happened to his contributions.

10. On 27 June 2021, ReAssure wrote to Mr M and said:

“I understand the reason for your complaint is that we did not communicate our requirements to you, which in turn led to your pension contributions not being applied to your pension policy. I realise our error has caused you inconvenience. So, to say sorry, I've arranged for a cheque for £150 to be sent to you. Finally, I've passed on your comments and the findings of your complaint to the relevant team managers to avoid this happening again in the future.”

11. On 16 August 2021, Mr M asked ReAssure when the pension contributions will be invested.
12. Later that day, ReAssure responded and said that Mr M's access to his account had been temporarily placed on hold while amendments to his account were being made. It said that, as soon as the work was completed, the Plan value would be updated.
13. On 26 August 2021, ReAssure wrote to Mr M and said that it had been working in the background to apply the regular monthly contributions from March 2021 to September 2021. These amounted to £2,019.36. ReAssure reiterated that, while it was processing the updates, Mr M would not be able to view his Plan account on the member portal. It said that, once all contributions from this period had been paid and backdated to the correct date, it will contact Mr M's employer to arrange collection of contributions from April 2021 onwards.
14. Mr M contacted ReAssure on 18 October 2021 for an update.
15. On 20 October 2021, ReAssure replied and said that it was working to bring the contributions up to date.
16. On 17 November 2021, 13 December 2021 and 4 January 2022, Mr M contacted ReAssure and asked whether his account had been brought up to date. On all occasions, ReAssure said that it had passed the query to the team dealing with the problem and it would update him once the resolution had been achieved.
17. On 17 January 2022, Mr M brought the complaint to The Pensions Ombudsman (TPO).
18. On 7 June 2022, TPO asked ReAssure for its response to Mr M's complaint. This request was repeated on 1 July 2022 and 12 July 2022.
19. On 19 July 2022, ReAssure wrote to Mr M and explained that members' access to their accounts is removed during any checks on the accuracy of the data it holds. It said that it tries to make the access available as quickly as possible, but it is difficult to provide a timeframe.

20. On 20 July 2022, ReAssure responded to TPO and said that its management team was considering a further award for distress and inconvenience and it would respond soon.
21. On 22 July 2022, TPO called ReAssure but was advised it could not speak to us because it did not have Mr M's authority to deal with us. This was incorrect as Mr M's completed form of authority for ReAssure to deal with TPO was sent to them on 7 June 2022.
22. On 2 August 2022, ReAssure set out its position to TPO. It said:
 - The Plan is complex and each time the contributions change a manual intervention is required.
 - It is currently applying premiums from October 2020 to April 2021 to Mr M's Plan account. The contributions will be backdated to the date they were received. So, Mr M will not suffer any financial loss.
 - While Mr M's account is being updated, he will not have access to his account. It appreciated the frustration this would cause, but it would restore access as soon as possible.
 - It would revisit its original award of £150 for distress and inconvenience and it said it would provide an updated amount later that day.
23. ReAssure failed to provide an updated award for distress and inconvenience.

Caseworker's Opinion

24. Mr M's complaint was considered by one of our Caseworkers who concluded that further action was required by ReAssure as it had failed to invest the contributions into the Plan. The Caseworker's findings are summarised below:-
 - ReAssure had not provided a satisfactory timeframe for when Mr M's contributions would be paid into the Plan.
 - Mr M still did not have access to his Plan account. So, he could not be certain that the contributions had been remitted to the Plan. Any delay in investing the contributions could have caused financial loss. ReAssure should ensure that all contributions are backdated to the date they should have been added to the Plan.
 - In the Caseworker's view, Mr M had suffered serious distress and inconvenience. The Caseworker was of the view that an award of £1,000 for the non-financial injustice was appropriate in the circumstances.
25. ReAssure did not accept the Caseworker's Opinion and the complaint was passed to me to consider. ReAssure provided its further comments which do not change the outcome.

26. ReAssure said that:

- All contributions would be backdated and invested on the date that they were received.
- It accepted that there had been maladministration that would have caused Mr M distress and inconvenience, but it did not agree that the distress and inconvenience warranted an award of £1,000. It said that it was of the view that the award should have been £500.

27. I agree with the Caseworker's Opinion and note the additional points raised by ReAssure.

Ombudsman's decision

28. Mr M has complained that not all of his contributions have been invested into his Plan account. He also complained that he has been unable to access his Plan account for over two years.
29. ReAssure has accepted that there has been a delay in paying Mr M's contributions into the Plan. It has also acknowledged that Mr M will have suffered distress and inconvenience by having been unable to access the member portal and see up to date information regarding his account. However, it did not feel that the Caseworker's assessment of the distress and inconvenience was correct.
30. I do not accept ReAssure's argument that the distress and inconvenience was not serious enough to warrant an award for £1,000. Mr M has been unable to access up to date Plan information for over two years. During this time, he has contacted ReAssure on multiple occasions in an attempt to resolve the issue. ReAssure frequently told him that the issue was being worked on and would be resolved in due course. However, two years have passed, and Mr M has not received confirmation that his account has been brought up to date.
31. The distress and inconvenience would have been exacerbated by ReAssure's failure to respond in a satisfactory manner during my Office's investigation into Mr M's complaint.
32. Therefore, Mr M is entitled to a distress and inconvenience award in respect of the serious ongoing non-financial injustice which he has suffered.

Directions

33. Within 28 days of the date of this Determination, ReAssure shall:

- (i) pay £1,000 direct to Mr M for the serious distress and inconvenience he has experienced;
- (ii) ensure that all outstanding contributions are paid into Mr M's account;

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- (iii) make good any loss of investment, by ensuring that all contributions are backdated to the date that they should have been invested into Mr M's Plan account and
- (iv) arrange for Mr M to have access to his account forthwith.

Anthony Arter

Pensions Ombudsman
17 November 2022

Appendix

Date	Employee contributions	Employer contributions	Invested in the Scheme
1 September 2020 to 30 September 2020	£111.63	£209.31	Yes
1 October 2020 to 31 October 2020	£98.46	£184.61	Not invested
1 November 2020 to 30 November 2020	£98.46	£184.61	Not invested
1 December 2020 to 31 December 2020	£98.46	£184.61	Not invested
1 January 2021 to 31 January 2021	£98.46	£184.61	Not invested
1 February 2021 to 29 February 2021	£98.46	£184.61	Not invested
1 March 2021 to 31 March 2021	£98.46	£184.61	Not invested
1 April 2021 to 30 April 2021	£101.04	£189.45	Not invested
1 May 2021 to 31 May 2021	£101.04	£189.45	Not invested
1 June 2021 to 30 June 2021	£101.04	£189.45	Not invested
1 July 2021 to 31 July 2021	£101.04	£189.45	Not invested
1 August 2021 to 31 August 2021	£101.04	£189.45	Not invested
1 September 2021 to 30 September 2021	£101.04	£189.45	Not invested

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1 October 2021 to 31 October 2021	£101.04	£189.45	Not invested
1 November 2021 to 30 November 2021	£101.04	£189.45	Not invested
1 December 2021 to 31 December 2021	£101.04	£189.45	Not invested
1 January 2022 to 31 January 2022	£101.04	£189.45	Not invested
1 February 2022 to 29 February 2022	£101.04	£189.45	Not invested
1 March 2022 to 31 March 2022	£122.26	£229.23	Not invested
1 April 2022 to 30 April 2022	£105.52	£197.85	Not invested
1 May 2022 to 31 May 2022	£105.52	£197.85	Not invested
1 June 2022 to 30 June 2022	£105.52	£197.85	Not invested
1 July 2022 to 31 July 2022	£105.52	£197.85	Not invested
	£2,358.17	£4,421.55	Total contributions to be invested
	£111.63	£209.31	Less contributions invested
	£2,246.54	£4,212.24	Total contributions not invested