

The complaint

Mrs S has complained about Countrywide Assured Plc (Countrywide). She said it gave her a surrender valuation on her whole life assurance policy, but a short while later gave her another valuation that had dropped significantly. She said it is unacceptable that Countrywide are expecting her to accept a sum that has decreased so much in value. She would like Countrywide to pay her the difference between the two valuations along with compensation for distress and inconvenience.

What happened

Mrs S held a whole life assurance policy with Countrywide. She requested details of the policy on 11 January 2023. This arrived in the post on 18 January 2023. Within the information she received, she could see the surrender value was £2000.

Mrs S got in touch with Countrywide on 30 January 2023 to request a surrender pack. This was sent to her on 6 February 2023. Within this new pack, Mrs S saw that the surrender value given was just £500. She said this was a marked decrease on what she was originally quoted when she first contacted Countrywide only a few weeks previously.

Mrs S contacted Countrywide about this. Countrywide said it had made a mistake in the initial letter sent to her and that her actual surrender value was £500. Mrs S said this was unacceptable and that she had made financial commitments off the back of the first valuation she received. She made a complaint to Countrywide about it.

Countrywide in response said that it sincerely apologised for what it called misleading and incorrect information provided in its original letter sent to Mrs S on 16 January 2023. It said considering the level of service Mrs S has experienced it would pay £100 as way of an apology for the distress and inconvenience it has caused. It said Mrs S's surrender value on her policy was £500.

Mrs S was not happy with Countrywide's response and referred her complaint to our service.

An investigator looked into Mrs S's complaint. She said she didn't think Countrywide needed to take any further action. She said Countrywide was correct in paying £500 to Mrs S for surrendering the policy. She could see it had also paid an additional £100 compensation for the error. She said she thought the offer was fair.

Mrs S was not in agreement with the investigator's view. She said she was dissatisfied with the outcome. She said she couldn't see how the investigator could establish that she had been paid the correct amount. So as Mrs S is not in agreement, her complaint has been passed to me, an ombudsman, to look into.

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 am not upholding Mrs S's complaint. I will explain why:

- Mrs S had a whole life assurance policy with Countrywide. She received a valuation in January 2023 with a surrender value given as £2000. Then when she asked for a surrender pack in February 2023 the surrender value went down to £500. Countrywide has said it made a mistake and offered to pay £100 in compensation for the distress and inconvenience caused.
- Mrs S isn't happy with Countrywide's apology, offer of compensation or the explanation it has given. She said Countrywide has never provided her with any information to substantiate its revised valuation of her whole life assurance policy. She said it hasn't been transparent about the value of her policy.
- Mrs S would like Countrywide to honour the original valuation that it provided to her of £2000. But I don't think it would be fair or reasonable if Countrywide did this. This is because I don't think Mrs S's policy was ever worth £2000. I think the first valuation provided by Countrywide to Mrs S in January 2023, was instead a clerical error. It made a mistake and put the wrong figure on the letter it provided to her. I can see that the sum assured figure was £2000 and it looks like Countrywide has put the same figure in again below it, in the surrender value box. It was simply a mistake.
- I say this because, recently our service has asked Countrywide to provide further information about Mrs S's policy and its surrender value. It sent a screenshot from its actuary team, confirming the policy number and its surrender value. I think when I see this and read Countrywide's explanation about what happened here, I am satisfied that Mrs S's policy's surrender value is what Countrywide says it is. That is £500.
- Countrywide said it made a mistake when it initially wrote to Mrs S and gave the wrong valuation. It has paid Mrs S £100 for the distress and inconvenience that this has caused her. I can see that this would have caused Mrs S stress by this, as for three weeks or so she would have been under the misapprehension that she was going to receive more than she had. But I can see that Countrywide did attempt to correct its mistake and took responsibility by apologising and offering compensation for it.
- For the inconvenience of Mrs S being given incorrect information and for a short while, I think Countrywide's payment of £100 is a fair and reasonable one. I understand Countrywide has already made this payment to Mrs S.

I appreciate that my decision will be disappointing for Mrs S, and I acknowledge the strength of her feelings in the submissions provided. But based on everything I have read and the findings I have given, I don't uphold her complaint.

My final decision

My final decision is that I do not uphold Mrs S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 18 January 2024.

Mark Richardson
Ombudsman