

## **The complaint**

Mr D complains that ReAssure Limited (ReAssure) overpaid his pension benefits and have asked him to pay them back.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving my reasons for my decision.

## **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.

Having done so I agree with the conclusions reached by the investigator for these reasons:

- ReAssure accepts that it made a mistake resulting in Mr D being overpaid benefits from his pension.
- The overpayment wasn't money that Mr D had in his pension fund. Correspondingly ReAssure were entitled to ask for its return. And may be able to reclaim it legally if it decides to do so. I understand Mr D's concern about his ability to now repay the amount owed. But this concern is best considered by a court.
- ReAssure's mistake undoubtedly impacted Mr D. He hasn't suffered a financial loss though, as he has had more money than his policy entitled him to. And has so far had the use of the money while the matter of the overpayment has been unresolved.
- He was paid more than his pension policy held over the course of May, June and July 2021. The final overpayment being made on 18 July 2021. Notification of the mistake was made on 29 July 2021, requesting repayment either in full or over the course of 12 months. Mr D would have been distressed in being told this and inconvenienced by having to repay money, some of which he'd spent over the course of the previous few months. But the mistake was spotted relatively quickly and notification was given soon after the last overpayment.
- Overall I think that ReAssure's offer of £400 for the distress and inconvenience was a fair amount to compensate Mr D for the above distress and inconvenience. Until such time as the overpayment is dealt with, Mr D has still financially benefitted from the mistake. So I also think it's reasonable that the offer of compensation is conditional on the settlement of the outstanding overpayment.

For these reasons, I think that the way that ReAssure offered to compensate Mr D is fair.

## **My final decision**

ReAssure Limited has already made an offer to pay Mr A £400 compensation once the

overpayment has been repaid. I think this offer is fair in all the circumstances.

So my decision is that ReAssure Limited should pay £400 once the overpayment is recovered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 14 October 2022.

Gary Lane  
**Ombudsman**