

The complaint

Ms L complains about the poor service and delays she experienced when she transferred her ReAssure Limited personal pension pot to her occupational pension scheme. Ms L says she thinks she has lost out financially as a result of the delays.

What happened

Ms L held a personal pension with ReAssure. In late August 2020, ReAssure wrote to Ms L as her selected retirement date was approaching. It said her pension pot was currently valued at £75,506.63, and it explained this value was not guaranteed and could change.

Ms L contacted ReAssure and said she wanted to transfer the pension pot she held with it to her occupational scheme. Before accepting the transfer, Ms L's occupational scheme required information from ReAssure. In early October 2020, Ms L forwarded documents from her occupational scheme to ReAssure for completion. Ms L then sent ReAssure a completed transfer payment release form. ReAssure's records show it received the release form on 26 October 2020.

On 30 October 2020, Ms L spoke to ReAssure. She asked it to confirm the date it would use to calculate her fund value for the transfer. ReAssure said it would use 26 October 2020, the date it had received the documentation it needed to action the transfer. Ms L said she felt it should use an earlier date in October and asked ReAssure to tell her what the fund value was on 26 October 2020, before she agreed to the transfer.

On 6 November 2020, ReAssure sent Ms L the fund value at that date, not the value on 26 October, the date it said it would use to calculate the transfer value. The value of Ms L's pension pot on 6 November 2020 was £75,914.03.

Ms L complained to ReAssure about the time it was taking to act on her instruction to transfer her pension pot and about the incorrect fund value it had sent. Ms L also said she felt ReAssure should use a transfer date of 8 November 2020, her selected retirement date for the plan, and noted that the value of her pension pot had increased since 26 October 2020.

ReAssure apologised for the poor service it had provided and the incorrect fund value it had sent to Ms L. It offered to pay Ms L £200 to compensate her for the poor service she had received. It also said that it would arrange for Ms L to be provided with a correct transfer value, based on the value of her pension pot on 26 October 2020, and it confirmed that it would contact Ms L's occupational scheme to establish if she had suffered a financial loss as a result of the delay in transferring her pension pot. It said that if Ms L had suffered a loss it would ensure this was corrected.

But it said it wouldn't use the value of Ms L's pension pot on a different date, even though the value had increased since 26 October 2020. It said its policy was to use the value of the pension pot on the date it received the release form. It said this was to ensure there was transparency in the way it valued a policy and every customer making a transfer application was treated the same way.

Ms L wasn't satisfied with ReAssure's response and referred her complaint to this service.

Our investigator said that, having considered Ms L's complaint, she felt the £200 ReAssure had offered to pay Ms L was fair in the circumstances of this complaint and she didn't think it needed to do any more.

She said she didn't think it was unfair for ReAssure to use the value of Ms L's pension pot on 26 October 2020 as the transfer value, as this was the date it had received the information it needed to action the transfer. She noted that Ms L had said that ReAssure should have received the necessary information before this date, but she said the evidence ReAssure had provided showed it had been received on 26 October.

She noted that ReAssure had used the wrong date when it provided Ms L with the transfer value for her pension pot in early November and that Ms L had chased ReAssure several times before the transfer went ahead in December 2020. But she said she didn't think Ms L had suffered a financial loss as a result of ReAssure's poor service. She noted that the transfer value of Ms L's pension pot had increased by over £5,000 from its value on 26 October 2020.

In view of this she said she felt the £200 ReAssure had offered to pay Ms L to compensate her for its poor service was fair.

Ms L did not accept our investigator's view. In summary she said:

- she felt the time it took ReAssure to complete the request to transfer her pension pot was 'unreasonable'. Ms L noted that her partner had requested a similar transfer from a different provider, and this had happened much more quickly and efficiently;
- our investigator had accepted ReAssure's claim that it had received all the necessary information to complete the transfer on 26 October 2020, but had not taken steps to verify whether it had received the necessary documentation before this date;
- our investigator had noted that when the transfer went ahead in December 2020, the transfer value was higher than it would have been on 26 October. As this was the case, she said she did not think Ms L had been financially disadvantaged. Ms L said our investigator had not taken into account that *'this involved yet more delay'*, and had not considered why ReAssure had used the transfer value of her pension pot on 10 December 2020 when *'...a simple check would reveal that in November 2020 my pension was worth more than what it eventually was transferred at.'*
- she did not receive anything from ReAssure to confirm the transfer had completed. Ms L said this put her *'...at a considerable disadvantage in that I could not know or base sound decisions on life changing amounts of money as the information or lack of it was incomplete and erroneous'*; and
- she felt the £200 ReAssure had offered to pay her for its poor service was insufficient for the anxiety she had suffered as a result of not *'...being able to have a clear and accurate picture regarding the transfer of my life savings.'*

Our investigator responded to Ms L and provided her with a copy of the date stamped documents ReAssure had provided to this service, showing that it had received the transfer documentation on 26 October 2020. In view of this she said she was satisfied that ReAssure had received the documents on this date.

Having carefully considered Ms L's complaint I reached a different view to that of our investigator. I set out my provisional decision on Ms L's complaint on 12 August 2022. In it I explained why I considered Ms L's complaint should be upheld and how I felt the matter should be fairly settled.

I said I was sympathetic to Ms L's position and I appreciated that she had found the delay in transferring her pension pot worrying and frustrating.

I noted that it was not in dispute that the service Ms L had received from ReAssure was below the standard she ought reasonably to have expected. What was in dispute was:

- whether the £200 ReAssure had offered to pay Ms L was sufficient to compensate her for the worry and inconvenience this matter had caused her; and,
- whether Ms L had lost out financially as a result of the delay and ReAssure's decision to use the fund value on 10 December 2020, as the transfer value.

Having carefully considered this matter I said I thought ReAssure needed to do more to put matters right.

transfer value

I noted that £81,181.42 was transferred to Ms L's occupational pension scheme in December 2020. This was the transfer value of Ms L's pension pot on 10 December 2020. This transfer value was £5,267.39 more than the transfer value of Ms L's pension pot on 6 November 2020. (The records I had seen showed that the transfer value of Ms L's pension pot was £75,914.03 on 6 November 2020).

However, I noted that in the final response letter ReAssure sent to Ms L in November 2020, it said it was:

'... only able to value your pension using the date we received your Transfer requirements which was 26 October 2020. This approach ensures there's transparency about how we value a policy and that every customer making a transfer application is treated the same way.'

In view of this, I asked why it had used the value of Ms L's pension pot on 10 December 2020, as it had clearly set out in its final response letter that it would use the transfer value on 26 October 2020. ReAssure said:

'It was decided with one of our Team Leaders, to the benefit of the customer, to make this payment using values from 10/12/2020 on her units as this was significantly more beneficial to her due to the performance of the units increasing by this date.'

I said I didn't think ReAssure had acted unfairly by using an up-to-date transfer value. But, having clearly told Ms L that it wouldn't use the value of her pension pot at the time the transfer actually took place, I said I thought it had caused Ms L worry and inconvenience.

However, I said I had not seen any evidence from ReAssure to show that Ms L did not lose out financially as a result of the delay in transferring her pension pot. I said ReAssure needed to provide this to Ms L, in line with the action it said it would take in the final response letter it had sent to her. In the letter, ReAssure said that if Ms L had lost out as a result of the delay, it would 'correct this'.

In order to address this aspect of Ms L's complaint, I said ReAssure must provide the evidence to show that it had contacted Ms L's occupational pension scheme to establish whether she had suffered a loss as a result of the delay in transferring her pension pot.

date ReAssure received the transfer documents

I noted that Ms L said she thought that ReAssure had received the transfer documents before 26 October 2020, the date it said it had received them. Based on the information I had seen I said I couldn't safely find that the documents were received before 26 October 2020. I noted that our investigator had provided Ms L with a copy of the records showing the date the documents were logged as received by ReAssure.

But I said that even if I was wrong on this point, and the documents were received before this date, I didn't think this would make a material difference to Ms L's complaint as the transfer value ReAssure had used was higher than either of transfer values it had provided to Ms L in September and November 2020.

communication with Ms L

I noted that the records Ms L had provided to this service showed that she had contacted ReAssure on numerous occasions asking for a current transfer value and chasing up the transfer. I said I was of the view that Ms L went to considerable efforts to chase up the progress of the transfer. However, I was not satisfied that ReAssure had provided Ms L with the level of service she could reasonably have expected.

In its most recent response to this service ReAssure said that the transfer did not go ahead until December 2020 as it was:

.... waiting confirmation from the customer to proceed with the transfer, which is the reason for the delay from 26 October until her confirmation in December.

But I noted that in the final response letter it sent to Ms L dated 24 November 2020, it said: *We'll call you with the final Transfer Value. This is being checked by our Actuaries. I'll also make sure you don't lose out as a result of our delay providing the Transfer Value of 26 October 2020. Had we called within our current timescale to confirm the value we were using and you'd agreed to continue, the fund would have been transferred sooner. We'll contact the [name of Ms L's occupational] Scheme to establish if you've suffered any financial loss. If this is the case, we'll correct this.*

Despite this firm commitment to call Ms L and provide a 'final Transfer Value' ReAssure told this service that it didn't contact Ms L, as it had promised. It said:

In regards to why we did not contact the client further, typically speaking if the overall transfer value difference is around 10% of the quoted value we would contact at this point. As this was not the case with this policy the transfer was completed with a higher value to the benefit of the client.

I said it was not clear to me why ReAssure had delayed the transfer of Ms L's pension pot until December 2020, and had claimed that it could not have gone ahead sooner, as it was 'waiting confirmation from the customer to proceed with the transfer', when it had clearly committed to contacting Ms L with a 'final transfer value', but had failed to do so.

I asked ReAssure if the transfer value it sent to Ms L's occupational scheme in December 2020, was higher than both the September 2020 and November 2020 transfer values because it had contacted her occupational pension scheme to establish if she had suffered a financial loss as a result of the delay in transferring her pension pot. ReAssure did not provide a response on this point. Nor did it provide anything to show that it had contacted Ms L's occupational pension scheme to find out if it needed to make good any loss Ms L had suffered as a result of the delay, despite having promised to do so in its final response letter.

I explained that, as ReAssure was aware, it is required to treat its customers fairly and ensure any communication is clear fair and not misleading. Despite this, I noted that it

appeared it had failed to carry out the actions it set out in its final response letter and as a result had caused Ms L further worry and inconvenience.

Having carefully considered this matter, I said I thought ReAssure should pay Ms L £400 for the worry and inconvenience its poor service had caused. In determining this amount, I said I was mindful that not only had Ms L received very poor service from ReAssure but, having apologised for this poor service in its final response letter, it had then failed to carry out the actions it committed to in that letter.

I said it should also provide both Ms L and this service with evidence to show that it had contacted her occupational pension scheme to establish if she had suffered a financial loss as a result of the delay in transferring her pension. And if it was found that Ms L had suffered a loss I said it should provide evidence that this had been corrected, in-line with the commitment it made in the final response letter it sent to Ms L.

And I said that if, for whatever reason, ReAssure had not honoured this commitment it should do so now. I said it should also pay Ms L a further £100 (in addition to the £400 I had already set out) if, it had failed to contact her occupational pension scheme to establish if she had suffered a loss as a result of the delay in transferring her pension.

ReAssure responded to my provisional decision. It said, in summary:

By way of a brief recap, please find what I consider to be the main points for consideration.

06/11/2020 fund value provided - £75,914.03

26/11/2020 fund value confirmed as being £75,214.74

16/12/2020 fund transferred to OPS (£81,181.42)

The above payment to the scheme was calculated as at the effective date of 10 December 2022. Ordinarily we would use the fund value as at the date of all our requirements (for the transfer) having been received, which in this instance was 26/11/2020.

However, in this instance we agreed to use value at 10 December 2020 due to some delays being experienced.

So in essence as the policyholder has already benefitted from the implementation of the higher fund value (by using the later date, when in reality we should have used 26 November) we would ordinarily seek to contact the receiving scheme also.

I am also of the belief that £200 was an appropriate award in the first instance.

Ms L did not respond to my provisional 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.

I have re-considered everything that Ms L and ReAssure have said and provided in connection with this complaint.

Having done so, I remain of the view that Ms L's complaint should be upheld. I'll explain why.

I have asked ReAssure twice (once before I issued my provisional decision, and again in my provisional decision) to provide evidence to show that it contacted Ms L's occupational pension scheme to establish if she had suffered a financial loss as a result of the delay in

transferring her pension pot. Despite this ReAssure has still not provided a response on this point.

I would remind ReAssure that it clearly set out in the final response letter it sent to Ms L dated 24 November 2020:

*I'll also make sure you don't lose out as a result of our delay providing the Transfer Value of 26 October 2020. Had we called within our current timescale to confirm the value we were using and you'd agreed to continue, the fund would have been transferred sooner. We'll contact the [name of Ms L's occupational scheme] to establish if you've suffered any financial loss. **If this is the case, we'll correct this.***
(bold is my emphasis)

I think it is very unsatisfactory that nearly two years after it committed to establish if Ms L had suffered a loss as a result of the delay in transferring her pension pot, ReAssure has still failed to do so.

I note that in its response to my provisional decision ReAssure said; '*...we would ordinarily seek to contact the receiving scheme also*', but has not offered any explanation as to why it has failed to do so for Ms L.

It appears it may be of the view that as it used a higher transfer value it does not need to check with Ms L's occupational pension scheme whether she has suffered a loss as a result of its delays. But, as I set out in my provisional decision, although Ms L received a higher transfer value in December 2020, it remains the case that she may have lost out financially as a result of the delay in transferring her pension pot to her occupational scheme. As ReAssure committed to making sure Ms L did not suffer a loss as a result of the delay, it must carry out the checks it committed to carry out in its final response letter. In my provisional decision I said that if ReAssure had not honoured this commitment it should do so at once.

I also note that in its response to my provisional decision ReAssure said:
Ordinarily we would use the fund value as at the date of all our requirements (for the transfer) having been received, which in this instance was 26/11/2020.
It also provided the value of Ms L's pension pot on 26 November 2020.

It is unclear to me why it is now claiming that it received the necessary documentation to proceed with the transfer on 26 November 2020. The evidence previously provided to this service clearly shows that ReAssure received the necessary information on 26 October 2020. I would refer ReAssure to the date stamped documents it has provided to this service, showing when it received the transfer documentation.

In view of the evidence previously provided I am satisfied that ReAssure did receive the documents on 26 October 2020 **not** 26 November 2020 as it is now claiming. I have therefore disregarded its claim that '*... in reality we should have used 26 November*' as there is nothing to support this.

As ReAssure has not provided anything to show that it has contacted Ms L's occupational pension scheme, I remain of the view that her complaint should be upheld.

Putting things right

What ReAssure needs to do to put matters right

In order to put matters right ReAssure should pay Ms L £400 for the worry and inconvenience its poor service has caused.

It must also provide Ms L with evidence to show that it has now contacted her occupational pension scheme to establish if she has suffered a financial loss as a result of the delay in transferring her pension. And, if Ms L has suffered a loss, it must correct this, in line with the commitment it made in the final response letter it sent to Ms L.

In addition, as ReAssure has not yet contacted Ms L's occupational pension scheme, despite having committed to do so in November 2020, to establish if she has suffered a loss as a result of the delay in transferring her pension, it must also pay Ms L a further £100 for the additional inconvenience and worry this has caused (in addition to the £400 set out above).

My final decision

My decision is that Ms L's complaint should be upheld. I have set out above how I think this complaint should be fairly resolved.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 11 November 2022.

Suzannah Stuart
Ombudsman