

The complaint

Ms R complains about problems she's had accessing the pension she holds with ReAssure Limited.

What happened

Ms R holds a pension with ReAssure. Ms R has told us she's been living abroad since May 2020 following her mother passing away. In March 2021 she contacted ReAssure to access the tax-free cash (TFC) part of her pension fund.

ReAssure wrote to Ms R on 18 March 2021 confirming that she'd have to send certain documents to amend her address as she was living abroad. ReAssure said these documents would need to be verified by an attorney.

Ms R says they were sent in June 2021 by email. But she was then told ReAssure wouldn't accept these documents by email. Ms R says the attorney then sent the documents using a tracked service from the country she lived in which would be delivered by Royal Mail. However, Ms R was told that Royal Mail hadn't been able to deliver the documents to ReAssure. She said she was told by Royal Mail that the documents were awaiting collection by ReAssure.

Ms R complained to ReAssure in June 2021. She was unhappy about the delays in her address being changed as she wanted to open a Retirement Account (RA) which was necessary for her to access the TFC.

ReAssure later told Ms R that she wasn't eligible for the RA as she was living abroad at this time. Ms R said she held dual residency, so ReAssure told Ms R to send in proof of this.

ReAssure responded to Ms R's complaint on 22 June 2021. In its brief response, it said it had caused delays and would provide feedback to the relevant departments. But it didn't provide any further clarification on how Ms R could access her pension.

Ms R continued corresponding with ReAssure by email and phone but was still unable to open the RA or access her TFC. So, she referred her complaint to us in September 2021. She said she'd now been told by ReAssure that it had been in possession of her documents since 15 July 2021.

One of our Investigators looked into the complaint. He asked ReAssure for further information but ReAssure didn't respond. So, he issued his opinion on the complaint. He said, in summary, that the service from ReAssure to Ms R had been poor. He thought ReAssure should either open an RA for Ms R, or explain why it was unable to do so. He thought ReAssure should pay Ms R £500 for the distress and inconvenience the matter had caused. Lastly, our Investigator said that ReAssure should reimburse Ms R any costs she'd incurred as a result of its errors, though he didn't specify what these were.

Ms R accepted this if it resolved the issues she'd been having with ReAssure. However, ReAssure didn't accept the opinion. It said it hadn't received the documents that it needed from Ms R so it didn't agree that compensation was warranted. It said it would arrange for its

servicing team to contact Ms R via email to set out the documents required to enable Ms R to access her pension funds.

Our Investigator asked ReAssure for further information, but again, ReAssure failed to respond. So, the complaint was referred for consideration by an Ombudsman. Ms R continued to correspond with our Investigator and ReAssure during this time. She maintained that she'd been told by ReAssure that her documents had been received in July 2021.

The information request was escalated by our Service and, although ReAssure still didn't provide the information that had been requested, it did agree with our Investigator's view to pay £500 compensation. But ReAssure didn't respond on the point of putting right any financial loss Ms R had incurred.

In December 2022, Ms R told us that ReAssure had been in touch with her to say she needed to apply again for the RA but they would provide this information to her by email. Ms R says this document took a further month to receive. To date Ms R still hasn't received her TFC and the RA has not been set up.

The complaint was passed to me to consider. I issued a provisional decision on 6 February 2023. In summary, I said I thought ReAssure ought to have asked Ms R to send the documents it needed to proceed with her RA application by email given the impact of the pandemic and where Ms R was residing. Nevertheless, I thought Ms R had promptly sent her documents by post in June 2021 when requested and on balance, I believed ReAssure had either received these in July 2021 or it had failed to collect them. So, I thought ReAssure should've been in a position to process the application in July 2021.

However, I explained that I thought it was unlikely Ms R would meet the residency criteria to be able to open an RA with ReAssure. And that ReAssure could've done more to explain the criteria to Ms R and that she may have acted differently had it done so. Nevertheless, I acknowledged that Ms R was in touch with an organisation in the UK, which was best placed to advise her on this. I also acknowledged that Ms R was in the process of applying for the RA again. I made recommendations as to how ReAssure could put the matter right for Ms R, including backdating the value of her pension should she be able to open a pension that would allow her to take her TFC.

I also thought that the matter had had a significant impact on Ms R and that ReAssure should pay £1,000 to compensate her for this.

I invited both parties to respond to the complaint by 6 February 2023.

Ms R didn't agree with my provisional decision and responded in detail. She said, in summary:

- Her home was in England and had been for 60 years.
- She still paid UK taxes and was a British national.
- This was her money and she should be entitled to it. She'd saved for many years for her retirement and was now being prevented from accessing the money.
- She'd been in touch with ReAssure and it was arranging to set up the RA account for her.

ReAssure also responded. It said:

- It had previously told Ms R that she needed to be a UK resident to be eligible for the RA and it didn't believe she was.
- It was still unclear whether Ms R met the requirements to be eligible for an RA.
- It agreed to pay Ms R £1,000 compensation.

The complaint has now been passed back to me to consider and make a final 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 want to assure Ms R that it's not my intention to stop her from accessing her pensions. But there are laws around who can access UK based pensions and how. I can see that ReAssure has previously tried to explain this to her. However, Ms R told ReAssure we was a UK resident. So it proceeded on this basis.

It's clear Ms R remains of the opinion that she is entitled to open an RA and access her TFC. I understand that Ms R is again in the process of applying for an RA with ReAssure. It's not for us to demand ReAssure open an RA for Ms R if she doesn't meet the eligibility entitlement. So ReAssure will need to consider her application as it would any other. And Ms R may need to provide ReAssure with further information on this when it asks her. However, there have been significant delays caused by ReAssure to date. So it needs to proceed with this application without further delay. If Ms R is eligible and entitled to open the RA, ReAssure should do so as soon as possible. If she's not entitled to the RA, ReAssure should clearly explain why to Ms R.

If Ms R isn't entitled to the RA, Ms R will need to take financial advice as to what her options are to access her pension. We cannot advise her further on this.

I remain of the opinion that ReAssure should've provided better customer service to Ms R. It has, at times, led her to believe that she could have something she may not be entitled to. And it's made this process longer than it should be. I suggested £1,000 compensation for the distress and inconvenience this had caused. ReAssure agreed with this and, having thought about it again, I'm satisfied this amount is fair and reasonable in the circumstances.

Putting things right

ReAssure should fairly consider Ms R's application for an RA without further delay. If the application is successful, then ReAssure should backdate the value of the RA as if the transfer from the pension to the RA had occurred on 1 August 2021. It should also write to Ms R to explain how it's done this calculation.

If Ms R isn't eligible for the RA, ReAssure should explain clearly to Ms R the reasons why.

ReAssure should also pay Ms R £1,000 compensation for the distress and inconvenience this matter has caused.

My final decision

I uphold this complaint and direct ReAssure Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or

reject my decision before 28 March 2023.

Rob Deadman
Ombudsman