

## **The complaint**

Mr T complains that ReAssure Limited failed to pay him his pension benefits within a reasonable period of time.

## **What happened**

Mr T held pension benefits with ReAssure. In May 2022 he sent an email to ReAssure to ask that his pension benefits be paid to him as a single lump sum payment. That payment wasn't completed until around seven weeks later, by which time Mr T says the value of his pension savings had fallen by around £1,000.

When Mr T first complained to ReAssure it agreed that a part of the process could have been completed more quickly. So it paid Mr T £100 for the inconvenience he'd been caused. Unhappy with that response, Mr T brought his complaint to us.

Mr T's complaint has been assessed by one of our investigators. He thought that generally ReAssure had acted as it should have when processing Mr T's payment request. But he did think that a short delay of four days had been caused by ReAssure. So he asked ReAssure to look into whether that delay had caused Mr T to lose out. The investigator thought that the payment ReAssure had made to Mr T for the inconvenience he'd been caused was reasonable.

ReAssure said that the delay meant that Mr T's pension payment was £16.20 less than it would have been had it been paid four days earlier. It agreed to pay that amount to Mr T. But Mr T didn't accept the investigator's assessment. He thought that the delay ReAssure had caused was much longer, and so the compensation needed to be higher. So, as the complaint hasn't been resolved informally, it has been passed to me, an ombudsman, to decide. This is the last stage of our process.

## **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.

In deciding this complaint I've taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by Mr T and by ReAssure. Where the evidence is unclear, or there are conflicts, I have made my decision based on the balance of probabilities. In other words I have looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

At the outset I think it is useful to reflect on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

The payment of Mr T's pension benefits took around seven weeks from the initial request being sent to ReAssure to the payment being received by Mr T. I share Mr T's conclusion that the time taken for the payment to be made is longer than might normally be considered to be industry best practice. But, as I will now go on to explain, by looking at each of the steps within the processing timescale, I share our investigator's conclusions that much of that delay wasn't caused by something that ReAssure did wrong.

ReAssure received Mr T's initial request on 8 May 2022. It responded to that request eight working days later by sending Mr T a questionnaire to ensure that he was aware of the risks associated with his choice. ReAssure says that it was required to gather that information by the regulator.

Mr T spoke with ReAssure by telephone on 23 May, and completed the risk questionnaire the following day. ReAssure received Mr T's completed questionnaire on 25 May. Two days later ReAssure issued Mr T with the paperwork he needed to complete in order to take his pension benefits. Mr T signed that application form on 1 June, but it wasn't received by ReAssure until 8 June.

The application form had asked Mr T to provide evidence of his bank account, to which the payment would be made, either in the form of a bank statement, or a cancelled cheque or paying in slip. On 13 June ReAssure left a voicemail for Mr T to advise him that information was still outstanding, and it followed up that request by email the following day. Mr T spoke with ReAssure about its request on 16 June, and his bank statement was received by ReAssure on 21 June. Mr T's pension benefits were paid to him on 28 June 2022.

I've looked carefully at each of the steps in the timeline above, and in particular those that required some action from ReAssure. I think it is reasonable that a firm be allowed a short period of time at each stage of the process for it to complete its processing activities. And looking at what ReAssure did each time I cannot conclude that any stage was unduly delayed by a lack of action from ReAssure.

I can understand Mr T's disappointment that each stage of the process required forms and information to be sent between the parties by post. That naturally adds some delays into the process that might not have occurred if the information had been transferred electronically. But it isn't for me to dictate how ReAssure should define its processes. It is entirely reasonable for a firm to require physical copies of paperwork and evidence when dealing with requests of this nature. So I cannot reasonably conclude that the need for information to be sent by post caused inappropriate delays to the process.

ReAssure has said that it could have dealt with Mr T's request more efficiently when he called on 23 May. It says that it could have taken a verbal completion of the risk questionnaire during that call and immediately dispatched the application form to Mr T. And so that would have meant ReAssure sending the application form to Mr T four days earlier than it did. So I will be asking ReAssure to compensate Mr T for that delay.

But other than the delay I have explained above, I don't think that ReAssure unreasonably delayed the processing of Mr T's request. Instead I can see that there was a delay of five days before ReAssure received the risk questionnaire. And there was a further delay of 12 days between ReAssure issuing the application form and receiving it back from Mr T. I accept that Mr T had signed the application form 7 days before it arrived with ReAssure. I don't know whether any delay was due to a delay in Mr T posting the form, or delays caused by the postal system. But in either event I don't think I can reasonably conclude the delay was caused by ReAssure. And a further delay was caused by Mr T not providing the evidence of his bank account as had been requested by ReAssure as part of its application paperwork.

As I said earlier, ReAssure has already paid Mr T £100 for the inconvenience he was caused by its failure to deal with the risk questionnaire during his phone call on 23 May. I think that compensation is reasonable and in line with what I would expect in circumstances similar to these. So I don't think ReAssure needs to pay Mr T anything further in that regard.

I appreciate that my decision will be disappointing for Mr T. But I think factors outside the control of ReAssure, either in the form of postal delays, or the time taken by Mr T to complete the necessary paperwork, contributed to the time taken for the payment to be made. With the exception of the short period identified above, I don't think ReAssure took an unreasonable amount of time to complete its processing activities on Mr T's request.

### **Putting things right**

ReAssure has calculated that, had Mr T's pension savings been paid to him four days earlier, he would have received an additional £16.20. ReAssure should pay that sum to Mr T.

### **My final decision**

My final decision is that I uphold part of Mr T's complaint and direct ReAssure Limited to put things right as detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 25 April 2023.

Paul Reilly  
**Ombudsman**