

## **The complaint**

Ms F complains that ReAssure Life Limited took too long to arrange for her to encash her personal pension and its service was poor. Ms F believes she has lost out as a result.

In dealing with ReAssure Ms F's occasionally been helped by a financial adviser. But, for ease of reading, I will refer to the adviser's comments as being Ms F's.

At the time Ms F took out her pension it was provided and administered by another company. But as ReAssure has confirmed it is responsible for replying to the complaint I will only refer to it within this decision.

## **Provisional decision**

On 10 July 2023 I issued a provisional decision. For ease of reference I've copied the relevant extracts below. I said:

### ***"What happened***

*Ms F had funds invested in a personal pension. In May 2021 she asked ReAssure for advice about accessing those funds. ReAssure sent her a pack setting out her options. It said if she wanted to proceed she would need to ring it.*

*The following month (June 2021) following an enquiry from Ms F, ReAssure told her that she couldn't take a partial transfer of just her tax free cash from the pension. If she wanted to do that it said she would need to transfer the entire pension. It then sent her another copy of the retirement options pack.*

*In October 2021 Ms F emailed ReAssure. She said she would like to take her entire pension. She confirmed her personal circumstances including that she was living abroad and asked how she could access her funds tax free. ReAssure replied. It said it could pay 25% of the fund tax free but it would have to deduct tax from the rest, most likely at an emergency tax rate. It said Ms F would need to approach HMRC to request a refund. Ms F asked for more details and ReAssure confirmed she would need to ring it to go through the required regulatory information and it could then send her the necessary forms.*

*Ms F rang ReAssure on 19 October 2021. It wrote to her the next day (20 October 2021) saying it had enclosed the required forms. It also sent the same forms by email. On 14 November 2021 Ms F emailed ReAssure. She said it hadn't included the relevant forms when it wrote to her on 20 October 2021. ReAssure then reissued the forms. Over the coming weeks Ms F contacted ReAssure several times to complain that she was having problems accessing information from her ReAssure online Portal. ReAssure replied on 22 December 2021. It said her portal access was active and it would arrange for someone to help her to use its features. ReAssure made some attempts to call Ms F without success.*

*On 5 January 2022 ReAssure received some completed forms from Ms F. Ms F contacted ReAssure again. Amongst other things she complained that she was still having issues*

accessing the Portal. She also said that, if ReAssure was going to ring her, it should let her know an hour in advance.

On 8 February 2022, ReAssure acknowledged receipt of the forms and asked Ms F to also complete a risk questionnaire.

The next day (9 February 2022), ReAssure replied to Ms F's recent complaint. Amongst other things it acknowledged that it hadn't got everything right. It also accepted it hadn't always rang Ms F as agreed. It said her online Portal was active but if she was still having issues with it to speak to one of ReAssure's team. By way of an apology for its errors it paid her £250.

On 8 March 2022 Ms F called ReAssure for an update. ReAssure told her it couldn't accept the form she'd already submitted as it was the wrong one. So it sent her the correct form which she returned. At that point ReAssure said another form – referred to as Form D or the Lifetime Allowance: Declaration Form – was outstanding and so asked her to also complete that, which she did. On 29 March 2022 ReAssure told Ms F she still needed to complete a risk questionnaire. It then told her the certified copy of a bank statement she'd provided in January was no longer valid (as it wasn't within the last six months) and she'd need to submit another. It also asked her for proof of her National Insurance number. She provided those.

On 12 April 2022 ReAssure confirmed it had paid Ms F's pension funds into her chosen bank account. It also arranged for a tax form P45 to be sent to her to help her reclaim tax from HMRC. Ms F continued to say that she hadn't received her P45 and couldn't reclaim tax as a result. In July 2022 the P45 was returned to ReAssure undelivered. In September 2022 ReAssure arranged for the P45 to be reissued to her.

Ms F brought her complaint to us. One of our Investigators looked into it. He didn't think ReAssure had dealt with Ms F fairly. He initially said that he didn't believe that ReAssure had enclosed the required forms when it wrote to Ms F on 20 October 2021 and that had caused a delay. But, after ReAssure provided further comment saying it had included the appropriate forms, the Investigator revisited his findings. He still thought ReAssure hadn't dealt with Ms F fairly. He said that if it had then it could have begun the disinvestment of her pension funds as of 25 January 2022. So he said ReAssure should establish what Ms F would have received if it had withdrawn her pension funds on 25 January 2022. And, if this showed she'd suffered a loss, it should add simple interest at a rate of 8% a year, from 25 January 2022 up until the date when Reassure made payment to Ms F. He also said ReAssure should pay Ms F a further £150 compensation for the impact of its poor service.

Ms F didn't agree with our Investigator's assessment of the complaint so it's been passed to me to decide.

### **What I've provisionally 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 arriving at my determination I've taken into account relevant law and regulations, regulator's rules, guidance and standards and codes of practice, and what I consider to have been good industry practice at the time. Where the evidence is incomplete, inconclusive or contradictory, I reach my conclusions on the balance of probabilities – that is, what I think is more likely than not to have happened based on the available evidence and the wider surrounding circumstances.

*And, while I've considered all the evidence on file, I don't intend to address each and every point or issue raised. Instead I will focus my decision on what I see as being the key issues at the heart of the complaint Ms F's originally made to ReAssure and the reasons for my decision.*

*Did ReAssure cause delays?*

*Ms F initially approached ReAssure for advice about accessing her pension in May 2021. But that's not when she began the process of actually cashing it. ReAssure told her on more than one occasion that, to start the process, she would need to ring it so that it could read her some regulatory information. Ms F didn't take that action until October 2021. So I think that's when the process began.*

*I'm aware that Ms F was having problems accessing her online Portal, which would have given her the value of her funds, prior to then. But, she always had the option of asking ReAssure how much her funds were worth over the phone if she'd wanted to. So I don't think ReAssure is responsible for any delay before October 2021.*

*Ms F said that ReAssure didn't enclose the appropriate paperwork when it wrote to her on 20 October 2021. In contrast ReAssure's said its evidence is that it did send her the forms. I made some further enquiries of ReAssure. It provided evidence that, not only had it posted the forms to Ms F on 20 October 2021 but it had also provided those by email. So even if ReAssure had overlooked to actually include the forms in the envelope it sent to her in October 2021, Ms F should have been able to download and print those from the email ReAssure sent to her.*

*Further, I've noted that in an email of 8 March 2022 Ms F said that she had received the "package" (containing the forms) from ReAssure in October 2021. And I don't think she'd have made that remark if the papers hadn't been enclosed. So, I think ReAssure did send forms to Ms F in October 2021, although it later sent those again the following month. But I don't think any delay in Ms F receiving those is because of anything ReAssure did wrong.*

*ReAssure couldn't actually begin the process to withdraw and pay the funds to Ms F until it had received all the appropriate paperwork. It clearly received some completed papers from Ms F on 5 January 2022. At that point it should have identified what, if any, additional information it required from her and asked for it all in one request. But it didn't do that. Instead it made piecemeal requests for information, which only contributed to delays in it sorting things out. So I've thought about when ReAssure should reasonably have been able to conclude the process.*

*As I've said above, ReAssure was in a position to process the pension benefit forms on 5 January 2022. It has a ten working day service standard for taking necessary follow up action. So, by 19 January 2022 ReAssure should have made a request for anything and everything else that it needed from Ms F. For example, at that point Ms F still hadn't completed the Form D, although the pack ReAssure sent to her clearly said this needed completing. It also later became apparent that the forms it had sent to her were out of date and that it would need her to complete a risk questionnaire. But ReAssure didn't request further information from Ms F until 8 February 2022. And then, as I've said above, it didn't request all the outstanding information at one time but made numerous requests for the outstanding evidence in a piecemeal fashion. I can understand if Ms F found this frustrating.*

*Ms F provided most of the evidence ReAssure asked her for without significant delay. But it requested the last two pieces of evidence it required on 29 March 2022 and Ms F provided those (via her financial adviser) on 4 April 2022. A gap of four working days.*

*So, if ReAssure had requested everything it needed from Ms F on 19 January 2022, and she had replied within four working days, then ReAssure could have released her pension funds by 25 January 2022. But ReAssure didn't begin that process for some months and, during that time-frame, Ms F says that, owing to volatilities in the markets, her pension fund lost value. In order to find out if that's the case I think ReAssure should establish what Ms F's pension fund would have been worth if she had withdrawn it on 25 January 2022.*

*And, as she didn't receive that sum at the time and so didn't have the benefit of it ReAssure should add simple interest to that sum at a rate of 8% a year from 25 January 2022 up to the date it actually made its pension payment to her, which I believe was 12 April 2022.*

*Further, if the pension payable to Ms F from 25 January 2022, is higher than the figure it paid to her in April 2022, then Ms F has suffered a loss from that date. In that case, ReAssure should pay her the difference, subject to the appropriate tax deduction and add simple interest to the difference between the two sums from 12 April 2022 until the date it makes payment to her. It should also give Ms F the appropriate tax certificate so she can reclaim any tax from HMRC as appropriate.*

*Ms F has commented that, from her starting the process in May 2021 to when ReAssure actually made payment to her, her fund reduced owing to movement in the financial markets. However, as ReAssure wasn't in a position to begin that process before 5 January 2022, I don't think any losses caused by a reduction in her pension funds prior to that date is because of anything ReAssure got wrong.*

*Ms F's said that any compensatory payment should be adjusted to consider the difference in currency conversion rates because of the fall in the value of the pound sterling against the currency she uses now. But I don't think that's appropriate. Ms F took out the pension when she lived in the UK. It was subject to UK tax rules and always intended to be paid in pounds sterling. And ReAssure paid the sum into Ms F's UK bank account. That Ms F has since chosen to live abroad, and is therefore subject to the volatilities of the currency markets, isn't something ReAssure is responsible for. So I wouldn't expect ReAssure to increase Ms F's pension entitlement because the currency markets aren't currently favourable to the currency she uses now. In a similar way, had the currency position been different, I wouldn't have thought it was fair for ReAssure to have reduced her pension entitlement if the pound sterling had gained in value against her chosen currency.*

#### *Tax forms*

*Ms F complained that ReAssure didn't arrange for a P45 to be sent to her promptly delaying her reclaiming overpaid tax. However, ReAssure actually arranged for the issue of the P45 immediately after making payment to her in April 2022. It was sent in the post to the P.O. Box delivery address Ms F uses. It's apparent this P45 was returned in July 2022 annotated "P.O.BOX CLOSED" by the relevant postal service. It's not clear why that was as it was sent to the same delivery address Ms F used throughout the process and from where she did receive the P45 in September 2022. So I don't think the delay in Ms F receiving the P45 was because of anything ReAssure got wrong.*

#### *Account audit*

*Ms F said that it is the duty of this Service to undertake an audit of her pension account. She said it is our duty to ensure that, when her funds transferred from her previous product provider to ReAssure, that ReAssure had calculated those correctly and had not changed funds. But that's not something we will do. Our role is limited to investigating and determining whether or not a firm like ReAssure has responded fairly and reasonably to a*

*consumer's complaint, which falls within our remit. And before we would consider looking into a complaint we would have expected the consumer to give the business the chance to investigate and respond to it.*

*In this case, I've seen no evidence, in the papers that Ms F or ReAssure provided, that she complained to ReAssure that it had miscalculated her pension or swapped the funds inappropriately. And, as this isn't something that ReAssure has had the opportunity to respond to, if Ms F still wants to pursue the matter she should raise it with ReAssure in the first instance.*

#### *Distress and inconvenience*

*ReAssure has previously acknowledged that some of its service wasn't up to the standard it would hope to achieve. For example it accepted Ms F had problems accessing her online Portal. It also acknowledged that it didn't always make phone calls as expected. It paid her £250 compensation for the impact of those things. But, as I've indicated above, I think ReAssure has made the process more difficult than it needed to be for Ms F. For example, it made multiple piecemeal requests to her for information rather than identifying everything she needed to provide at one point in time and simply asking for that. As a result, the process took far longer than it should have done. So I think ReAssure should pay Ms F an additional £150 to address the further distress and inconvenience she's experienced.*

*I'm aware Ms F doesn't think that sum goes far enough. But, when added to the £250 ReAssure has already paid to her that brings the total to £400. That figure is consistent with awards we make where the firm's actions have caused considerable distress over a period of weeks and has required some extra effort to sort out. So I'm satisfied it's appropriate redress in the circumstances.*

#### **Developments**

ReAssure accepted my provisional decision. Ms F raised some questions about our decision publication process. She also said that I hadn't read her complaint. She said she hadn't asked for a tax certificate but only for a P45 which ReAssure hadn't sent.

#### **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.

Ms F said I hadn't read all of her complaint. I can assure Ms F that I read all of the evidence on file and gave it careful consideration. I note Ms F has said that she didn't ask for a tax certificate but only asked for a P45. However, I didn't say Ms F asked for a tax certificate. But I did say that if ReAssure calculates Ms F has suffered a loss and it deducts tax from any compensation it pays to her, then it should give her the appropriate tax certificate, to allow her to reclaim any tax deducted.

Further Ms F said that she'd asked for a P45 and has shown evidence that ReAssure didn't send this promptly. It's evident Ms F did not receive the P45 which ReAssure issued in April 2022. But, as I said in my provisional decision, I've seen clear evidence the relevant postal service in Ms F's country of residence returned that P45 – issued in April 2022 – undelivered because it said Ms F's P.O. Box was closed. I don't think that was because of any mistakes by ReAssure. And I'm satisfied from the persuasive evidence on file that ReAssure did send the P45 promptly in April 2022.

Ms F asked where we publish our decisions. I can confirm they are published on our website and Ms F can access those here: <https://www.financial-ombudsman.org.uk/decisions-case-studies/ombudsman-decisions>. We anonymise our decisions so that consumers can't be identified.

Ms F's suggested that she doesn't give her consent for us to publish this decision unless we add her commentary to it. We let Ms F know that we publish ombudsmen's final decisions when we sent her our Privacy notice when she first brought her complaint to us. We also advised her we would publish the decision when the case was prepared to pass to me. Under the rules we must follow<sup>1</sup> we're legally obliged to publish final decisions, so we don't need Ms F's consent in order to publish it.

I will also explain that if she accepts my final decision, then it becomes legally binding on ReAssure. So, once she has accepted it ReAssure will arrange to pay compensation at that stage.

### **My final decision**

For the reasons given above I uphold this complaint. I require ReAssure Life Limited to:

- Establish what Ms F's pension entitlement would have been at 25 January 2022. It should pay her interest on that figure, at a rate of 8% a year, between 25 January 2022 and the date it actually made a pension payment to her, which I believe was 12 April 2022.
- If the sum payable from 25 January 2022 is higher than the figure it eventually paid to Ms F in April 2022, then Ms F has suffered a loss. In those circumstances ReAssure should pay Ms F the difference, subject to any appropriate tax deduction. It should add simple interest to that sum at a rate of 8% a year from 12 April 2022 to the date it makes payment to her.
- Give Ms F a tax certificate – to allow her to reclaim any tax deducted from the above amounts – from HMRC as appropriate
- Pay Ms F a further £150 compensation for her distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 24 August 2023.

Joe Scott  
**Ombudsman**

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<sup>1</sup> These are generally known as the DISP rules and can be found in the Financial Conduct Authority's Handbook. The specific rule concerning decision publication is DISP 3.6.8