

The complaint

Mr W complains about ReAssure Limited (“ReAssure”). He’s unhappy that it’s been unable to trace a pension he held with a former employer.

What happened

In 1976, Mr W’s former employer set up a pension scheme (“the Scheme”) administered by a provider I’ll refer to as “Provider L”. Mr W contributed to the Scheme until he left his employer in 1979. Upon leaving, Mr W was given several options for taking the benefits he’d accrued, and he selected a refund of contributions and an annual pension payable from age 65.

In 2020, Provider L sold its Mature Savings Business, which included the Scheme, to ReAssure. ReAssure assumed liability for the Scheme, including Provider L’s historic activity on it.

In 2023, Mr W used the Pension Tracing Service to try to locate his pension and was given Provider L and ReAssure’s contact details.

Having contacted Provider L, Mr W was told that if any pension was due, ReAssure would be responsible for it as policies under the Scheme had been transferred to it. It explained that it had no authority to hold any records for the Scheme, and for data protection purposes, after being passed to ReAssure, all records had been deleted. Provider L later contacted ReAssure, making enquiries on Mr W’s behalf, but he didn’t appear in its records.

Mr W continued to correspond with Provider L, saying he hadn’t received any annual pension statements after he left the Scheme, or been told about its transfer to ReAssure. He provided evidence of the pension he’d selected in 1979 and asked Provider L and ReAssure to pay it.

Provider L said it couldn’t provide any further assistance, and Mr W complained. He later contacted ReAssure, but as it still couldn’t trace his policy, it invited him to provide more information. Mr W asked for a complaint to be raised and sent documentation he had from the Scheme. But having carried out a further search, ReAssure still couldn’t locate Mr W’s policy.

ReAssure later confirmed that although the policy number Mr W quoted matched the Scheme, all benefits under it had been claimed (or moved to other providers) before it was transferred. This meant there were no remaining funds in the Scheme and ReAssure held no information about what happened to funds previously held in it.

Mr W maintained that Provider L and ReAssure were responsible for paying his pension and referred his concerns to our Service. Amongst other things, he made the following points:

- Provider L never notified him that it was transferring the Scheme to ReAssure. And it hadn’t sent any annual statements for his pension. It had also failed to contact him on his 65th birthday about taking his pension benefits.

- ReAssure had misappropriated his pension fund and should meet its obligation to pay it.

One of our investigators considered Mr W's complaints against ReAssure and Provider L and didn't think they should be upheld. As ReAssure assumed responsibility for the Scheme (and Provider L's actions under it) when it was transferred, she said she couldn't uphold Mr W's complaint against it. And as there was nothing in ReAssure's records or the available evidence showing that Mr W still held benefits under the Scheme, she didn't agree that it should make the payment he was seeking.

Mr W disagreed and, in brief, made the following comments:

- He hadn't taken his pension benefits and only had paperwork from the seventies as Provider L and ReAssure hadn't sent him any correspondence about his pension over the years.
- ReAssure should've contacted him when the Scheme was transferred to it and was lying when it said the Scheme had come to it without funds.
- He was seeking compensation for the distress ReAssure and Provider L had caused.

As no agreement could be reached, the matter was passed to me for a 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'm not going to uphold it. But before I explain why, I should say that I recognise Mr W's strength of feeling on this matter. It's clear to me that he has genuine concerns about his pension entitlement. And he's spent considerable time and energy trying to establish what's happened.

Mr W has provided detailed submissions to support his complaint, which I'm grateful for and have considered carefully. However, I hope he won't take it as a discourtesy that my findings focus on what I consider to be the central issue in this complaint – that is, whether ReAssure should pay Mr W the pension he thinks he's entitled to.

Where the evidence is incomplete, inconclusive or contradictory, as some of it is here, my role is to weigh up the evidence we do have and decide on the balance of probabilities, what's most likely to have happened.

Provider L's Mature Savings Business, which included Mr W's former employer's Scheme, was sold to ReAssure in 2020. As part of the sale, ReAssure assumed liability for the Scheme and became responsible for Provider L's historic actions and any arising complaints. So, although Mr W has complained to Provider L and ReAssure separately, I've considered his concerns, including those about Provider L's acts or omissions, in this decision.

I've seen copies of Mr W's certificate of membership to the Scheme, part of the Scheme booklet, and an update sent to Mr W announcing the start of the Scheme and sharing details of the benefits available under it. Together, these confirm that Mr W was entitled to a pension for each year he remained with his employer from 1 February 1976 until age 65. For service accrued before 1 February 1976, Mr W's pension would be increased to provide the same benefits he'd receive from the Scheme for half the number of years he'd already spent with his employer. But if Mr W left his employer before age 65, the pension benefits he'd

accrued could be preserved, transferred, or, if claimed during the first five years of the Scheme, taken as a refund of contributions.

These pension benefits were reflected in the options included in the letter the Scheme administrators sent Mr W and his new employer's Pension Officer in December 1979. One of the options provided – Option 1 – would provide Mr W with a refund of contributions (for service accrued before February 1976) and a preserved pension payable from age 65 (for service from February 1976 onwards). I've seen the form Mr W sent to the Scheme confirming that he'd selected Option 1, and the Scheme's acknowledgement of this.

Although Mr W is adamant that he didn't transfer his pension away from the Scheme, the available evidence indicates that this is most likely what happened. I say this because the Scheme's December 1979 letter ended with the following:

"We await your advice as to whether the transfer is to proceed, as soon as possible."

Based on the statement above, it appears that the Scheme had been given notice of Mr W's intention to transfer his pension elsewhere and was waiting for confirmation of how Mr W wanted to take his benefits. If he wasn't planning to transfer and intended to remain in the Scheme, I'd have expected to see this reflected in the Scheme's December 1979 letter or in Mr W's response. But Mr W's reply didn't try to correct the Scheme's understanding that he would be transferring. Instead, Mr W returned the relevant options form, confirming how he wanted to settle his pension benefits and move forward.

There's limited evidence about what happened immediately after ReAssure confirmed Mr W's benefit choices. But if he'd left his pension in the Scheme, I think it's reasonable to expect that he would've received correspondence about it over the years – initially from Provider L and later, from Reassure. But Mr W has confirmed that he received nothing about his pension after he left his employer in 1979 or when the Scheme transferred to ReAssure in 2020.

Under the Financial Services and Markets Act 2000/ Part VII – the statutory mechanism allowing pension providers to sell parts of their business and transfer underlying policies – a key requirement is that affected policyholders must be notified of what's happening. So, while I appreciate that Mr W thinks the lack of correspondence he's had over the years about his pension and the Scheme is evidence of wrongdoing, I'm unable to agree. I think it reflects the fact that after Mr W transferred in 1979, Provider L's liability for his pension had been discharged. And as the Scheme held no funds for it, there was no reason for Provider L or Reassure to contact him. This would explain why the searches carried out by both providers to trace Mr W's pension yielded so little.

Based on the policy number Mr W provided when he was trying to trace his pension, ReAssure was able to confirm that he had originally been part of the Scheme. But as there are no remaining funds in the Scheme, it can't provide any specific information regarding his pension.

If Mr W's pension had remained in the Scheme, I'd expect ReAssure to have some record of this. As there isn't any, I'm unable to conclude that ReAssure lost Mr W's Scheme pension and owes him money for this.

I'm conscious Mr W has said that in 2022, he took pension benefits from three small pensions he held with other providers. It's unclear how much Mr W receives from these pensions each year, but it's possible that one may be made up of his transferred Scheme pension. He may find it useful to look through any paperwork and communications that he's retained across all his financial affairs (including his other pensions) for further clues about

what happened. If he finds further information that sheds more light on the status of his Scheme pension then, where appropriate, he may choose approach the relevant businesses with any questions he might have.

I appreciate Mr W will be disappointed and frustrated by my decision. But I hope he understands why it wouldn't be fair or reasonable for me to direct ReAssure to pay him the sum he's seeking. Given that almost 45 years have passed since Mr W made his pension benefit selections, I think it's understandable that he might not recall exactly what happened at the time. That being said, I don't doubt the sincerity with which Mr W brings his complaint.

My final decision

I'm sorry to disappoint Mr W but I don't uphold his complaint against Legal and General Assurance Society Limited

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 22 October 2024.

Chillel Bailey
Ombudsman