

## **The complaint**

Mr W complains that ReAssure Limited provided incorrect written and verbal valuations of his pension. He says Reassure made him believe his fund's value was higher than it actually was.

## **What happened**

Mr W held a pension with ReAssure. He says towards the end of 2023, as he approached retirement, he started to look at his pension funds and options for retirement. He says he had access to a valuation of his fund through ReAssure's online portal which gave a valuation of around £105,000.

Mr W says he contacted ReAssure who said his fund was in 'manual calculation' but also reassured him that the values he could see on the portal were correct.

In 2024 Mr W decided to move his pension to a new provider and around that time his fund was showing on ReAssure's portal as being valued around £107,000. However, when he received a written valuation of his fund from ReAssure on 16 April 2024, it showed a value around £3,000 less than the portal had shown.

Mr W says he spoke with ReAssure who assured him that the valuation he could see on the portal was correct and not to worry. Mr W complained to ReAssure about the discrepancies in the valuations he was being given.

When Mr W's funds transferred to his new provider, he says the total value of his pension was £104,221.92 – which was nearly £3,000 less than ReAssure's portal was showing as the value of his funds.

In its complaint response ReAssure said the fund value information showing a value of around £107,000 given to Mr W on his online portal and over the telephone was incorrect. It confirmed that the final value of £104,221.92, which was transferred to Mr W's new provider, was the correct value of Mr W's pension. ReAssure explained that as they were in the process of manually calculating the fund value, the policy ought to have been kept on hold.

ReAssure went on to acknowledge that Mr W may have been expecting more from his pension and explained how Mr W's fund had been invested in unit-linked funds.

Finally Reassure said that it realised its error had caused Mr W inconvenience, so offered him £350 by way of an apology.

Mr W was unhappy with ReAssure's response to his complaint and so brought it to our Service. He says ReAssure should honour the higher valuation which was provided to him online and confirmed over the phone.

ReAssure provided our Service with a further explanation and evidence relating to why Mr W's policy had incorrect information. ReAssure say that in 2022 Mr W asked it to switch all of his funds from the Cash 6 Accumulator, Fixed Interest 6 Accumulator and Managed 6

Accumulator funds into the Deposit (Universal) and Mixed Investment (Universal) funds. However, ReAssure say that while the funds were switched as requested there was an issue in its back office system which showed some units still being held in the old funds. That meant the policy needed to be manually valued and the portal information, and information available to its agents answering the phone lines, was incorrect.

Our investigator looked into Mr W's complaint. He said he was satisfied with ReAssure's explanation and evidence of the cause of Mr W's incorrect valuations. He explained that it wouldn't be fair to honour the higher, incorrect, valuation. But he acknowledged that ReAssure's error had caused inconvenience to Mr W. Our investigator felt the £350 already offered by ReAssure was a fair amount of compensation for the level of inconvenience caused.

Mr W disagreed with our investigator. He said ReAssure's error had put him in a worse position than they'd led him to believe. He said the error had been present since 2022 but only came to light when he transferred. And he didn't think it was fair for ReAssure to have led him to believe his fund was higher than it was.

Mr W says the only reasonable and fair resolution is for ReAssure to honour the higher valuation. As Mr W disagreed with our investigator's opinion, the complaint has been 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.

There is no dispute that Mr W was given wrong information by ReAssure over the phone and on its online portal. So, my role here is to decide whether ReAssure have done enough to put things right for Mr W.

When considering complaints this service's aim is to put customers as much as possible into the position they would likely be in if errors had not happened. The information provided by ReAssure to Mr W was misleading and unclear, but he would never have been entitled to the higher value of the policy. So, I don't think it's fair to ask ReAssure to pay him the difference.

I have much sympathy for Mr W's situation, and I appreciate while he hasn't suffered a financial loss as he didn't own the erroneous units in the old funds, he has suffered a loss of expectation. And I imagine he was very disappointed to learn that the value transferred to his new provider was lower than he might have expected. Mr W was also inconvenienced in having to call ReAssure several times to query its mistake.

ReAssure have offered Mr W £350 and so I've thought carefully whether this award recognises the impact of its errors.

It's clear Mr W was caused considerable distress and upset at being given incorrect information about the value of his funds. Which was likely worsened by the fact he was approaching retirement and looking to access his benefits. He was inconvenienced by having to call ReAssure several times to try and get to the bottom of things. It's also disappointing that ReAssure didn't provide Mr W with the more detailed explanation of how the error occurred which it gave to our Service when we started to investigate the complaint.

Mr W was caused a loss of expectation and considerable inconvenience which had a serious, albeit short-term, impact on him. In the particular circumstances of this complaint, I consider the amount of £350 offered by ReAssure to be fair and reasonable.

## **My final decision**

ReAssure has already made an offer to pay £350 for the distress and inconvenience caused. I think this offer is fair in all the circumstances.

So my decision is that ReAssure should, if it hasn't done so already, pay Mr W £350.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 14 October 2024.

Timothy Wilkes  
**Ombudsman**