

The complaint

Ms T complains that ReAssure Limited provided her with incorrect valuations of the share of her ex-husband's pension that she was entitled to through a Pension Sharing Order. As a result the value of her share is a lot less than she was expecting.

What happened

Ms T's complaint was considered by one of our investigators. He sent his assessment of it to both parties on 21 November 2024. The background and circumstances to the complaint were set out in the investigator's assessment, so I won't repeat them all again here. But to summarise, Ms T had been awarded 61.4% of her ex-husband's pension. ReAssure wrote to Ms T in September 2020 confirming that it had calculated her percentage of the policy and the current fund and transfer value was £194,801 on that date.

In 2022 Ms T became concerned that her ex-husband's three pensions - that had formerly been held with a different pension provider – had been merged under one policy number. However ReAssure confirmed to Ms T that this wouldn't affect its overall value, and they had been combined for communication purposes. It said if Ms T required an individual breakdown of each policy value they could be provided on request.

ReAssure wrote to Ms T in October 2023 saying that it had received all the court documents in relation to the Pension Sharing Order. It enclosed a pension sharing application form which said the percentage to be shared was 61.4% and the current transfer value was £218,955.

ReAssure wrote to Ms T about the PSO again on 1 March 2024. It enclosed a pension sharing application form which confirmed Ms T's share (61.4%) of the pension's value was £77,735.

On 14 March 2024 Ms T contacted ReAssure to request a policy valuation. She didn't receive it, so contacted ReAssure again on 1 April 2024. ReAssure sent Ms T another letter enclosing a pension sharing application form which on this occasion showed her share of the value of her ex-husband's pension fund as £147,405.

Ms T subsequently complained to ReAssure, saying the valuations she was receiving were much lower than she had been told previously. ReAssure acknowledged that previous letters sent to Ms T had shown the full value of the pension policy and not just her 61.4% share of it. It confirmed this was incorrect, and apologised for its mistake. It confirmed that Ms T's share of the pension was worth approximately £149,986 at that time. Ms T referred her complaint to us.

Our investigator explained to Ms T that ReAssure had subsequently reviewed its response to her complaint, and had acknowledged that it had provided her with misleading information about her share of her ex-husband's pension fund. In recognition of the distress and inconvenience the matter had caused it offered to pay Ms T £600 compensation.

The investigator said he thought the compensation ReAssure had offered Ms T was fair and

reasonable in the circumstances. He said he appreciated that ReAssure informing Ms T that her share of the pension fund was a lot lower than she had been led to believe must have come as a shock to her. However he said Ms T was legally entitled to the 61.4% share under the terms of the Pension Sharing Order. So he didn't think the fact that ReAssure had previously been providing the total value of her ex-husband's pension fund, rather than her 61.4% share, meant ReAssure should now have to compensate Ms T for the reduction and pay her the full value of the fund. And he noted that neither ReAssure or Our Service could amend or go against the court order.

The investigator said in these types of situations we would expect a business to consider the impact of its mistake on Ms T, and in particular the loss of expectation Ms T had suffered. He said having considered the matter, he thought the £600 ReAssure had offered to Ms T was appropriate and consistent with the amount we would normally consider fair in the circumstances.

Ms T didn't accept the firm's offer and asked for her case to be passed to an Ombudsman.

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've come to the same conclusions as the investigator, and largely for the same reasons.

Clearly, I understand Ms T would have been very disappointed and frustrated on finding out that the pension she was entitled to was significantly lower than she'd understood. However as the investigator said, this was, essentially, a loss of expectation. The Pension Sharing Order provided that Ms T should have a 61.4% share of the total pension. So legally that is what Ms T was entitled to - rather than its total value. So like the investigator, whilst I recognise that the information provided by ReAssure caused Ms T to understand the value of her share of the pension was higher, given Ms T was never entitled to the whole pension, I don't think it would be fair to require ReAssure to pay that to her.

Ms T has expressed concerns that in ReAssure's letter to her dated 1st March 2024 it said it had 'now' received the Pension Sharing Order. She said if it had only then received the Pension Sharing Order, and if there was no 'marker' against it, it may have allowed her ex-husband to have taken funds from it – Ms T said he had committed fraud on her pension before. Given ReAssure had written to Ms T with information about the Pension Sharing Order prior to March 2024, I think it was likely noted on its records. And whilst I understand Ms T is concerned with what her ex-husband might have done to undermine the pension sharing order my understanding is that hasn't happened to date.

I've carefully considered whether the offer by ReAssure of £600 is fair in the circumstances. The evidence that's been presented suggests that the main impact on Ms T has been the loss of expectation and the understandable disappointment that flows from that, as well as the worry and some inconvenience in dealing with the matter. I do recognise that the significant difference in the figures will be very disappointing to Ms T. But as I've said, Ms T is legally entitled to the 61.41% share, and overall I think the £600 is fair in the particular circumstances.

My final decision

ReAssure Limited has made an offer to pay Ms T £600 for the distress and inconvenience caused to her by the matter. I think that offer is fair in the particular circumstances. My final

decision therefore is that ReAssure Limited should pay Ms T £600.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 18 June 2025.

David Ashley
Ombudsman