

The complaint

Mr H complains about delays caused by ReAssure Limited (ReAssure) when transferring his pension policies to another provider.

What happened

Mr H complains that he has lost out when transferring his two pension policies from ReAssure. He said ReAssure received his transfer requests on 17 October 2022 but needed further information. It paid out based on an effective date of 17 October but his accounts remained active until they were actually paid in November 2022. He had values on 30 October that were in total around £4,700 higher than the amount he was paid. He said the missing information was an address and post code. His adviser had chased multiple times and was told the transfer was in a queue. During this time his account stayed live from what he could see online.

ReAssure didn't uphold Mr H's complaint. It said that no fees were applied to the transfer values. The values used were those on the date of receipt of the request on 17 October 2022. This was its standard process and it had acted appropriately. It needed to check information when the Origo request was made but the information was not received until 31 October. It noted that Mr H called at the end of October and was given different values but at that point it was waiting for further information so the policy was still shown as being in force.

The investigator thought that ReAssure had acted fairly. She didn't think that ReAssure had caused any delay. The system notes confirmed that they updated the Origo request on 19 October to specify the missing information. She thought this was done in a timely manner and they could not process the request until the information was provided. Once the Origo system was updated on 31 October 2022 ReAssure then reviewed it and processed the requests and issued letters on 1 and 4 November which confirmed the payment. So this was within the 10-working day services standard. While there was a delay between 17 and 31 October it was not due to ReAssure. Contact notes showed Mr H's adviser made contact and was told on 20 October that there was an issue that needed to be corrected. She thought that ReAssure had processed the request by reference to 17 October correctly as this is what it said it would do.

She referred to a letter it send dated 24 October 2022 which stated,

"Because the value of this policy moves up and down in line with the stock market, the current value is not guaranteed and we will re-calculate it on the day after we receive all the documents we've requested".

Given the documents here were received on 17 October 2022, the next working day would be 18 October 2022. It's therefore reasonable that this date should've been used to determine the transfer value.

If there had not been a delay Mr H would have received the same amount. She didn't think ReAssure had done anything wrong.

Mr H didn't agree. He couldn't understand why the accounts were left open if they were frozen. How could they not be responsible for any delays when they kept the account open showing trading on his screen. It was more logical for it to stay open until they had all the information they needed. The other companies he applied to had no issue at the time and paid out promptly. He thought it was fairer to use the value at the time the account actually closed. They already had his NI number and postcode so why the delay.

The investigator noted Mr H felt the date of 31 October should have been used. But wasn't able to tell ReAssure how to run their processes. Even though they had his information on the system they needed to ensure the details provided matched. Just because the account was left open does not mean they should have used the values. Mr H's new provider didn't dispute that the Origo system was updated on 19 October to ask for further information and they replied around 31 October.

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 order to make any award I need to decide that ReAssure has done something wrong.

It is not disputed that the Origo request was submitted on 17 October. ReAssure said that it was its standard procedure to value policies as at the date the Origo request is received as this is when the client instruction to transfer is received. The request is treated as confirmation of intention to transfer. It did not always require further details. I can see that ReAssure wrote to Mr H's representative explaining:-

'the value of this policy moves up and down in line with the stock market, the current value is not guaranteed and we will re-calculate it on the day after we receive all the documents we've requested'

ReAssure said this was its policy and it did explain it at the time. I cannot tell it how to run its business. It did tell Mr H's IFA that this was the approach that would be taken.

I have considered when ReAssure received '*all of the documents*' it requested and whether this was the 17 October or later.

ReAssure said that while it received the Origo request it could not process the request without completing personal information checks for the policy holder. In effect while it had '*all the documents*' to make the transfer, it still needed to check it had the correct person.

I think it is prudent and reasonable to ensure that the request was coming from the correct person and that payment was made appropriately. However that did result in a delay in payment. But I cannot see that the delay was due to ReAssure. It updated the Origo Request on 19 October which is within two working days. It isn't ReAssure's fault that the new provider did not reply until sometime later.

Once ReAssure received its answer it was able to verify and make the payment within a week and letters were sent out confirming payment. So I think it acted in a timely manner and the delay was not its fault.

I do understand Mr H's frustration that he could still see a value online after 17 October and that he feels the amount paid would have been higher had it been calculated at a later date. But I can also understand that ReAssure would not wish to take steps to close down an account until it had verified it was making payment to the correct person. I think that was

reasonable but did mean it remained visible online.

While I understand that Mr H feels he lost out because his policy value was increasing he would equally have been protected had it been falling in value, as he would have received the value on the day after all the documents were received in line with the ReAssure policy.

So in summary I think ReAssure has acted in accordance with its policies and in a timely manner. I don't think it did anything wrong so I am not upholding this complaint.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 20 October 2023.

Colette Bewley
Ombudsman