

## **The complaint**

Mr D complains that he was not treated fairly in relation to his pension transfer from ReAssure Limited (ReAssure) and that he suffered a financial loss as a result.

## **What happened**

Mr D held a stakeholder pension with ReAssure from March 2007. In January 2022, Mr D's independent financial advisers (the IFA) contacted ReAssure to request details about the value of Mr D's pension at that time. ReAssure wrote to the IFA twice, on 17 January 2022 and on 31 January 2022. The letter of 17 January included a valuation of the policy at £673,492 together with details of how the pension would be valued on a transfer. The letter of 31 January confirmed the fund value as being £651,736.

Mr D says that he authorised the transfer of his pension from ReAssure to another pensions provider (the Third Party) on 22 March 2022. Mr D says that, following a period of volatility, he was looking to take advantage of a more settled market to transfer his funds. The transfer request was subsequently actioned by communication between the IFA and the Third Party. ReAssure said that, having received the request from the Third Party for this transfer, the policy was valued again on 26 March 2022 at £649,491.

The IFA telephoned ReAssure on 11 April 2022 and were told that the transfer was with ReAssure's Actuarial team but the IFA say they were not told at that time what valuation for the pension would be used.

Mr D also wrote to ReAssure on 11 April 2022 to say that he had not been able to see the current valuation on his account for over a week and asked where his pension funds were and what the present capital value was. Mr D received a reply on 13 April 2022 to say that the value of the pension as at that date was £659,057.

Mr D was notified by the Third Party that they had received a transfer in the amount of £649,491. This was subsequently confirmed in correspondence from ReAssure to Mr D dated 18 April 2022.

Mr D complained to ReAssure on 22 April 2022 saying that the transfer had taken too long to complete and that he had suffered a loss because of this delay. Mr D asked ReAssure to pay him the difference between the valuations on 26 March and 13 April.

ReAssure responded in a letter dated 24 June 2022 to say that they had followed their procedures in dealing with the transfer of Mr D's pension and so did not uphold his complaint.

Our Investigator's view was that:

- The correspondence from ReAssure specifically stated that the calculation of the transfer value of a policy would be made the day after they received everything they needed for a transfer.

- The transfer request from the Third Party was submitted on 25 March 2022 and the approximate value shown on the transfer request was £645,347.
- The information relating to which date the transfer would be valued at was shared in the plan details by ReAssure and Mr D should have queried this if he wasn't sure.
- The onus would be on Mr D to let ReAssure know whether he wanted his request to be cancelled.
- No guarantees were given about the amount transferred other than that ReAssure would calculate the value using the date after their requirements were met.
- The correct date of 26 March 2022 was used for the valuation and therefore Mr D was not treated unfairly.

Mr D did not accept this view on the basis that the plan details which included the information about how the transfer value was determined were sent to the IFA and not to him and that the first that he became aware of the transfer value was through a notification from the Third Party. Mr D also said that he feels ReAssure have not acted properly and have profited from client money.

Mr D asked for his complaint to be reviewed by 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 have reached the same conclusion as our Investigator and will not be upholding Mr D's complaint.

What ReAssure are required to show in this case is that they treated Mr D fairly throughout the process. In assessing whether they have done this, I will look at two main questions: firstly, whether or not the transfer was valued fairly and, secondly, whether or not ReAssure acted reasonably in their handling of the transfer process.

With respect to ReAssure's approach to calculating the transfer value, my view is that this is fair. It is important that a process is set out and that this is followed for all customers which prevents a business using its own discretion to choose a valuation date.

In ReAssure's letter to the IFA of 17 January 2022, they specified that the transfer value would be recalculated on the day after the date on which they had received everything they required to make the transfer. Mr D made a request to transfer his pension on 22 March 2022 and ReAssure say they received the relevant documentation on 25 March 2022 and were ready to process the transfer at this time. The transfer value was calculated on 26 March 2022 and this was therefore done in line with the process ReAssure had set out.

I understand that Mr D may not have been aware of the transfer value that would be used or indeed the process ReAssure follow when calculating the value since he did not see the letter of 17 January 2022. However, Mr D had instructed the IFA and it was therefore the IFA's duty to either query with ReAssure the approach used or to advise Mr D of what they were told. In other words, the onus was on either Mr D or the IFA to request any additional information from ReAssure in relation to the transfer.

ReAssure have followed the approach they set out and this approach seems reasonable. Therefore, I consider ReAssure to have acted fairly in their determination of the transfer value.

In relation to the transfer, ReAssure have said that they completed this within the 15 working days they set out in their own internal guidelines. Whilst this may be the case, we have to look at whether or not the time taken to complete the transfer following the valuation is reasonable, irrespective of what ReAssure was aiming to do.

ReAssure's own records suggest they expected the transfer to be completed within around 9 working days of the valuation date. However the transfer was seemingly confirmed on 14 April 2022, 14 working days after this date. It is sometimes the case that transfers can be delayed because they are more complicated or involve additional steps.

Information was requested from ReAssure as to why this transfer took longer than initially anticipated and ReAssure have said in response that, before the transfer was made, a referral to their actuarial team was required because of the large transfer value. On this basis, I think it is reasonable that an internal referral might delay a transfer by a few days. Mr D's fund was certainly of a significant size and it is not unusual for large transfers such as this to require additional checks before they are processed. On this basis, there does not seem to have been any unreasonable delay in making the transfer.

One additional point relates to the compensation payment received by Mr D from ReAssure in February 2024. ReAssure have said that this relates to one of the funds in Mr D's policy being undervalued. The previous errors by ReAssure relating to this have no bearing on the matters relevant to this complaint and I have therefore not addressed them in my decision.

### **My final decision**

For the reasons explained above, I do not uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 23 April 2024.

Rana Chatterjee  
**Ombudsman**