

The complaint

Mr B complains he was given unsuitable advice by a predecessor business of ReAssure Limited to transfer out of his occupational pension scheme and into a personal pension.

Mr B is represented in this complaint by a claims management company (“CMC”).

What happened

In July 1992 Mr B was advised by General Portfolio to transfer his Armed Forces occupational pension scheme (“OPS”) into a personal pension. General Portfolio is now part of ReAssure Limited (“ReAssure”) so for ease of reading I’ll just refer to ReAssure in the decision.

At the time of the advice, Mr B’s deferred benefits were valued at around £4,764, consisting of protected and non-protected rights. The plan was also apparently set up to receive his annual rebates for contracting out of SERPS, but the complaint’s not about that aspect. Mr B, via his representatives, complained about the advice to transfer in December 2022. In response ReAssure explained that the sale of the personal pension had been included in the industry wide pension review in 1999/2000. Mr B had been sent an invitation to participate in the review, and he’d returned the questionnaire to indicate he wished the sale of his plan to be reviewed. ReAssure had issued Mr B with an outcome on 4 May 2000, which said he’d suffered no loss as a result of the transfer. Mr B didn’t challenge this at the time, so ReAssure had closed its file.

Mr B didn’t accept this. He said he’d changed address around that time, so didn’t receive the outcome, and didn’t recall completing the questionnaire. So in July 2023 he referred his complaint to this service.

One of our investigators reviewed the available evidence, which was limited. Although ReAssure couldn’t provide a copy of the outcome letter or the questionnaire Mr B had completed, he was satisfied the sale of Mr B’s policy had been subject to the review, and a “no loss” outcome had been issued, to the same address as was on the questionnaire. He said ReAssure had fulfilled the regulator’s expectations under the terms of the pension review, so it didn’t need to carry out a second review now. So he didn’t uphold the complaint. Mr B said he would provide evidence of his change of address but was unable to do so.

So the case was passed to me to decide whether ReAssure should review Mr B’s policy again.

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 agree with the investigator’s outcome for the following reasons.

As the investigator explained, the then regulator established the industry wide pension review to deal with widespread mis-selling in the 1990s. The sale of Mr B's policy was identified as falling within the scope of the review, so he was invited to participate. I don't find it surprising he doesn't now recall completing a questionnaire more than twenty years ago. But I don't think it's necessary for ReAssure to provide a copy of the questionnaire itself, as their system records show that it received a completed copy and the address it was sent to.

The pension review process was set out by the regulator, which provided templated publicity material, and invitation and outcome letters. It closely oversaw the process, and the progress firms were making, so I've no reason to think ReAssure didn't carry out the review in line with the regulator's expectations.

ReAssure has provided screenshots of its pension review system record relating to Mr B. This showed he joined the OPS in June 1981 and left in June 1992 and captured various personal details about Mr B and the scheme he was a member of, which would've been taken from the questionnaire he completed. So even without seeing a copy of the questionnaire, I'm satisfied Mr B was aware at the time the sale of his policy was included in the review, and he'd be expecting an outcome in due course.

The regulator also prescribed the process and methodology for the loss calculations, which compared the benefits the member would've been entitled to under the OPS and the performance of the personal pension. ReAssure's records show that this calculation provided a "*no loss*" outcome, which meant at the time it didn't look like Mr B had lost out as a result of the transfer.

The system screen shots show the questionnaire and outcome letter were sent to the same address. Mr B says he wasn't at that address in May 2000 when the outcome letter was sent. I understand Mr B told our investigator he'd provide information to confirm his address at that time but hasn't done so. If Mr B says he'd moved to a new address sometime between the questionnaire and the outcome letter I've no reason to doubt this, even without seeing evidence. But if Mr B didn't receive the outcome letter because he'd moved and hadn't arranged to redirect his mail or provide ReAssure with his new address, it doesn't follow I'd think it fair for ReAssure to review the sale of his policy again.

Mr B knew at the time, even if he can't recall it now, that his policy was being reviewed so he could have contacted ReAssure for a copy of the outcome letter. But if he had received the outcome letter he'd have been reassured that he hadn't been disadvantaged by the transfer, so I think it's unlikely he'd have taken any action.

The industry-wide pension review was designed to be a one-off exercise to draw a line under a specific period of pension mis-selling, and the methodology relied upon standards and assumptions which the regulator decided were appropriate at the time. Some of those assumptions about investment returns and annuity rates have proved to be optimistic and inaccurate. But that's only known with the benefit of hindsight. As ReAssure reviewed Mr B's policy as it was required to do to comply with the pensions review, I don't think it would be fair or reasonable to say it should carry out another review now.

My final decision

I don't uphold this complaint and don't require ReAssure Limited to take any action.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 4 January 2024.

Sarah Milne
Ombudsman