

Ombudsman's Determination

Applicant	Mr S
Scheme	ReAssure Personal Pension Plan 1 (the Plan)
Respondents	Quilter Life and Pensions Limited (OMW) ReAssure Life Limited (ReAssure)

Outcome

1. I do not uphold Mr S' complaint and no further action is required by OMW or ReAssure.

Complaint summary

2. Mr S has complained that the transfer of his benefits from the Plan to a Collective Retirement Account with OMW (**the CRA**) was unreasonably delayed. He said that the delay caused him a financial loss and he would like to be put back in the position he would have been in, had the transfer completed two working days earlier.
3. Mr S has also said that, while requesting the transfer, he was given incorrect and incomplete information, and the wrong forms to complete.

Background information, including submissions from the parties and timeline of events

4. The sequence of events is not in dispute, so I have only set out the salient points. I acknowledge there were other exchanges of information between all the parties.
5. Mr S established the Plan which was administered by Old Mutual Wealth under the trading name of Old Mutual Wealth Life Assurance Limited.
6. On 1 January 2020, Old Mutual Wealth Life Assurance Limited was acquired by ReAssure Limited. On 13 June 2020, Old Mutual Wealth Life Assurance Limited was rebranded as ReAssure Life Limited. For ease of reference in the paragraphs that follow, Old Mutual Wealth Life Assurance Limited is referred to as 'ReAssure' both before and after the date it was rebranded.
7. Furthermore, on 14 June 2021, Old Mutual Wealth Life and Pensions Limited was rebranded as Quilter Life and Pensions Limited. For ease of reference, and to be

consistent with the name it was using when the events relating to this complaint took place, it is referred to as 'OMW' in this Determination.

8. On 18 February 2020, Mr S telephoned ReAssure to notify it that he wanted to take a partial withdrawal (**the Withdrawal**) from the Plan, consisting of 25% tax-free cash and 75% pension. He said that he did not want to involve an independent financial adviser (**IFA**) and he confirmed that he had the contact details for Pension Wise. ReAssure agreed to send him the forms necessary to complete the transaction together with a transfer value illustration. It also read him a second line of defence (**SLOD**) disclaimer which ReAssure later confirmed to be the SLOD relating to tax-free cash and income.
9. On the same day, Mr S held a second telephone conversation with ReAssure. He said that he would not know until the end of the tax year how much money he wanted to take out. ReAssure explained that he would need to move his money to the CRA in order to make the Withdrawal.
10. According to a file note provided by ReAssure, on 20 February 2020, it sent Mr S a transfer value illustration. It is not clear what forms were provided with the illustration.
11. On 24 February 2020, Mr S telephoned ReAssure to make a complaint. There was some confusion during this conversation in relation to what Mr S was requesting and the forms required to achieve this. In summary:-
 - Mr S said he had spent six hours on the telephone to ReAssure and OMW.
 - ReAssure told Mr S that a full withdrawal of his funds in the Plan was available to him without having to transfer them to the CRA. However, he was not seeking a full withdrawal. He wanted to undertake a transfer to the CRA as he wished to withdraw some, but not all, of the funds.
 - Mr S said he was initially told that he had to take some funds out to be able to transfer the rest to the CRA. He was then told that he could transfer his funds to the CRA without taking any money out.
 - Mr S said he had asked ReAssure what forms he needed to complete the transfer. It had told him that the correct forms had already been sent to him. However, Mr S said that OMW had informed him that they were not the correct forms.
 - Mr S told ReAssure that he needed the transfer and Withdrawal to be completed by the end of the tax year and wanted someone to telephone him back.
 - Mr S said that he wanted both ReAssure and OMW to respond to his complaint.
12. On 25 February 2020, ReAssure telephoned Mr S and the following items were discussed:-
 - ReAssure said that the forms it sent him were the correct ones. Mr S reiterated that he had spoken to OMW who had told him that this was not the case.

- Mr S asked if it could assist him in filling out the forms. ReAssure said that he would need to request this assistance from OMW.
 - ReAssure said that, on return of the completed forms, Mr S would have the money within 15 working days.
 - Mr S asked when the units would be sold, and he was told that this would be on the fourth or fifth working day after the forms were received. He also asked when the transferred funds would be invested. ReAssure said that OMW would reinvest the money, so would need to answer that question.
 - ReAssure said that the transfer would normally take place one or two days after the disinvestment via the Origo pensions transfer service (**Origo**).
 - Mr S said OMW had put a flag on his file to make sure that the Withdrawal was not made until the amount of the transfer was communicated to him. ReAssure confirmed that he could transfer to the CRA and not take any money out immediately. However, he would need to take financial advice. It said that, if he took some money out as part of the transfer process, he would not need to take financial advice.
13. On 3 March 2020, Mr S held a telephone conversation with ReAssure. The file note of this conversation stated that Mr S was informed that the option to transfer his benefits to the CRA without receiving financial advice would no longer be available once Old Mutual Wealth Life Assurance Limited's rebranding to ReAssure Life Limited was finalised.
 14. In March 2020, OMW received the evidence of identity it had requested from Mr S, together with the other paperwork it needed to request the transfer from ReAssure. It raised a transfer request on Origo.
 15. On 11 March 2020, OMW discussed the transfer with Mr S who advised that he no longer wished to proceed with the transfer at that time. As a result, OMW cancelled the Origo request.
 16. On 12 March 2020, OMW notified Mr S that it had stopped the transfer proceeding.
 17. On 20 March 2020, ReAssure wrote to Mr S concerning his complaint. It said that OMW would be solely responsible for providing a response. It confirmed that it had provided information to OMW accordingly, and it understood that OMW had responded to him.
 18. On 25 March 2020, ReAssure contacted Mr S to provide an update on the target timescales for the transfer. It said that it had spoken to OMW and had been told that its current timescale for requesting a transfer was four days, although this was getting closer to five. ReAssure confirmed it was getting closer to three days to process the request and another three days for the money to be sent over. It gave the example that, if Mr S were to request the transfer the next day, disinvestment from the Plan

would not begin until potentially 2 April 2020, and the funds would be applied to the CRA on 6 April 2020.

19. On 26 March 2020, at 14:28, Mr S confirmed to OMW that he wished to proceed with the transfer. OMW acknowledged this the same day and said its management team had been copied in. It said it had done this in the hope that the management team could expedite the request, although it acknowledged that this may not be possible due to its workload.
20. On 27 March 2020, OMW created a transfer request on Origo. The request included: "If estimated transfer value differs greatly, please contact us." The approximate transfer value was stated as £137,959.42.
21. On 30 March 2020, the transfer request was rejected by ReAssure. The transfer value at that date was £118,788.
22. On 1 April 2020, OMW, who had been monitoring the progress of the transfer, notified its transfer team that the Origo request had been rejected. The transfer team created a second transfer request in Origo that same day. The request included: "This is a full transfer request, value is more than 10% different because of current market volatility. Please proceed with transfer as client happy to proceed".
23. On 3 April 2020, the transfer payment of £116,042.34 was made to OMW by ReAssure.
24. On 7 April 2020, ReAssure wrote to Mr S to confirm that the transfer of his benefits out of the Plan had been completed. It said that the unit prices of his funds on 3 April 2020 had been used during the disinvestment process.
25. On 13 April 2020, Mr S contacted ReAssure. He said that it had taken six working days for his investments to be sold. The sale completed after two days of market falls. The market then shot up while his money was in limbo, which caused him financial concerns. He requested a detailed breakdown of the transactions.
26. On 15 April 2020, OMW notified Mr S that the transfer payment of £116,042.34 had been invested in the CRA.
27. On 17 April 2020, OMW wrote to Mr S to provide further information on the transfer. It said:-
 - His Plan investments were disinvested on 2 April 2020 and the funds were sent to OMW on 3 April 2020 via BACS. The funds were transferred to the CRA on 8 April 2020 and, due to fund trading times, the units were purchased using the prices on 9 April 2020.
 - In relation to these timings, the Polar Capital Global Technology fund was an exception as it did not finish trading and settling until 14 April 2020.

- The Plan and the CRA were two separate schemes run by Old Mutual Wealth under different trading names. Despite this, it had to treat the transfer like any other from another pension provider.
- Due to the misinformation Mr S was given during a number of telephone calls and the time he had spent on the telephone, it was prepared to offer him a payment of £150.

28. On 19 April 2020, Mr S responded to OMW. He said:-

- He remained unhappy about the six working days it took to process the transfer.
- ReAssure's email of 25 March 2020 indicated a timescale whereby commencing the transfer on 26 March 2020 would lead to the application of his funds to the CRA on 6 April 2020. He would have hoped this could have been completed sooner.
- He was not updated on the progress of the transfer as had been promised.
- He required a detailed breakdown of the sale of his units in the Plan.

29. On 22 April 2020, OMW notified Mr S that it was still investigating his complaint.

30. On 1 and 23 June 2020, Mr S asked OMW for an update on his complaint as he had not heard from it since 22 April 2020.

31. On 26 June 2020, OMW responded to Mr S. In summary, it said:-

- It had requested the transfer on 27 March 2020, and ReAssure rejected this due to the difference between the transfer value quoted on the Origo request and the value of his funds in the Plan at the time. This difference had been caused by market volatility.
- ReAssure should have asked it if the transfer was still to proceed rather than rejecting it.
- Had the original Origo transfer request not been rejected, it estimated that the transfer would have completed on 3 April 2020. It apologised that it had not kept Mr S updated.
- In relation to the detailed breakdown of the sale of Mr S' units in the Plan, it had contacted ReAssure to request this.
- It apologised that Mr S had heard nothing concerning his complaint and said it had been collating information for its response. It increased the ex-gratia payment it had offered Mr S from £150 to £200 in recognition of this delay.

32. On 27 June 2020, Mr S wrote to OMW. In summary, he said:-

- He considered the delay in completing the transfer to be a failing at the ReAssure end of the process.
 - He had been following the unit prices of his funds in the Plan on a daily basis since the start of March 2020. The markets had come back up and stabilised enough for him to anticipate an imminent fall. He was correct, as they picked up for a couple of days and then dropped.
 - There was no volatility in the markets when he requested the transfer on 26 March 2020. He had stopped the transfer a few weeks before as the markets were volatile at that time.
 - ReAssure should have telephoned him immediately when it was considering holding back his transfer instruction.
 - ReAssure had repeatedly supplied him with incorrect information and also sent him the wrong forms.
 - ReAssure's letter of 20 March 2020, in response to his complaint had confirmed that OMW had completed its investigation and responded to him. This was not the case.
 - He did not consider that OMW's offer of £200 was enough given the distress and inconvenience he had suffered.
 - Had the disinvestment of his funds in the Plan taken place two days earlier, and allowing for a similar earlier investment of the transfer value in the CRA, he would have been able to purchase more units in the CRA with the transferred funds. The delay had resulted in him losing out by approximately £12,855. He expected additional units to be purchased in the CRA to make up this difference.
33. On 30 June 2020, OMW responded to Mr S' complaint. In summary, it said:-
- It had passed Mr S' complaint to ReAssure as it could not comment on ReAssure's handling of the transfer.
 - Its earlier financial offer of £200 was its final offer. It had correctly requested and re-requested the transfer via Origo and had applied the transfer value to the CRA.
 - It acknowledged that it did provide some incorrect information, particularly concerning the forms sent to Mr S after he had spoken to ReAssure. Its financial offer was in respect of this and the delay in responding to his complaint.
34. On the same day, Mr S told OMW that ReAssure notified him at the outset that OMW would be responding to his complaint on behalf of both parties.
35. On 28 August 2020, ReAssure wrote to Mr S in response to his complaint. In summary, it said:-

- OMW had suggested that ReAssure read the incorrect SLOD disclaimer to Mr S in February 2020. It had listened to the telephone call and the correct SLOD disclaimer had been used, based on what Mr S said that he wanted. The Plan did not have a drawdown facility and so, when reading SLOD disclaimers, the options were limited to the following, the first of which had been read to Mr S:
 - transfer to a CRA for payment of an amount of tax-free cash and income; and
 - full withdrawal.
 - As Mr S did not hold a CRA at the time of his initial enquiries, it could only consider the options he had available at that time and what he had asked it for. In Mr S' telephone conversations he was not clear what type of income he wanted and all he confirmed was that he wanted a 25% tax-free lump sum and 75% income.
 - It was unreasonable to say an error had been made as Mr S had only told it he wanted tax-free cash and income. No specific income amounts were provided. It had passed on all the information that it could to OMW.
 - It had sent Mr S a transfer value illustration and the forms needed to transfer his funds in the Plan to the CRA. These were forms provided by OMW. It did not require any of its own forms to be completed. This was why none were sent. It apologised if OMW told Mr S that ReAssure's forms were missing from the pack. It should have been aware none were needed.
 - Its procedures were correctly followed in relation to the rejection of the initial transfer request. If the transfer value was more than 10% different from that stated in the request, the transfer was rejected.
36. Following the complaint being referred to The Pensions Ombudsman, Mr S, ReAssure and OMW made further submissions that have been summarised below.
37. ReAssure made the following additional submissions:-
- OMW originally agreed to deal with Mr S' complaint. A transitional service agreement allowed OMW access to ReAssure's data but not vice versa.
 - The initial transfer request asked that OMW should be informed if there was a significant difference in the transfer value from that quoted in the request. The rejection of this request was due to a variance of over 10% between the transfer value at that time and that quoted in the request. It believed that the referral back to OMW, when the transfer was rejected, was made by email. While it was unable to provide a copy of this email, it had an entry on its system, dated 30 March 2020, suggesting that an email had been sent.
 - The rejection of transfers where there was a variance of over 10% was an internal procedure that it followed. It could not provide any documentation in relation to this.

- In relation to the timing of the calculation of the transfer value, the Plan's policy conditions provided that the calculation would take place using the unit values the working day after receipt of the transfer requirements. In the case of Mr S' transfer, these requirements were the Origo request. As the Origo request was received after midday on Friday 27 March 2020, the next working day was 30 March 2020.
 - Skandia Life's 'Personal Pension – Technical Guide Including General Product Particulars' document (**the Guide**) covers the Plan and states: "Skandia Life reserves the right to defer such transactions in certain situations where Skandia Life considers this to be in the interests of policyholders generally". Skandia had rebranded to Old Mutual Wealth in 2014.
38. OMW said that the acquisition of Old Mutual Wealth Life Assurance Limited by ReAssure Limited in January 2020 had added to the problems Mr S encountered.
39. Mr S made the following additional submissions:-
- The instruction in the original transfer request that OMW should be contacted if the transfer value differed greatly from that quoted in the request was at odds with what should have happened. It should have been clear from his emails with OMW that he was following the unit prices on a daily basis. He gave no instruction concerning a delay to the transfer and had no intention of any delay at the point he instructed the transfer to proceed.
 - ReAssure's comment that a difference above 10% would stop the transfer proceeding was also at odds with his intentions. Due to the volatility in the markets at the time, it was obvious that the transfer value would have fallen by more than 10%.
 - When he was considering the timing of the transfer, it was the final result that mattered. In other words, the units purchased in the CRA and not the transfer value of his funds in the Plan.
 - Considering the reduction in the transfer value, the comparison should have been from when he gave his instruction to transfer on 26 March 2020, to when the calculation took place. The figure actually used was most likely one from a form he completed in February 2020.
 - He had given the instruction for the transfer on 26 March 2020, and it should have been actioned based on the unit prices on 30 March 2020.
 - ReAssure told him that he would need to use an IFA for the transfer once the rebranding, that eventually took place in June 2020, had completed. This, and the confusion over which forms he had to complete, resulted in him having a lack of confidence in completing the transfer and the Withdrawal by the end of the tax year. So, he took a withdrawal from a pension he held elsewhere.

- The combination of incorrect information he had received, a limited timescale and the conditions in the market at the time due to the pandemic made this traumatic for him. There had been numerous telephone calls and emails with OMW in order to complete the transfer, resulting in hundreds of hours of effort in terms of his time.
- He considers the offer of an ex-gratia payment of £200 from OMW to be fair, but he has not received any offer from ReAssure.

Adjudicator's Opinion

40. Mr S' complaint was considered by one of our Adjudicators, who concluded that no further action was required by OMW or ReAssure. The Adjudicator's findings are set out below in paragraphs 41 to 55.
41. In its communication of 25 March 2020, ReAssure provided Mr S with target timescales for the completion of the transfer. It suggested that a transfer requested on 26 March 2020 could potentially result in the transfer funds being applied to the CRA on 6 April 2020.
42. Having cancelled an earlier transfer request, Mr S confirmed on 26 March 2020 that he wanted the transfer to proceed. The transfer funds were invested in the CRA on 8 April 2020, two working days later than the target timescale suggested by ReAssure.
43. The Adjudicator noted that, during the transfer process, the first Origo request created by OMW on 27 March 2020 was rejected by ReAssure on 30 March 2020. A second Origo request was then created on 1 April 2020. The rejection of the first request resulted in a delay of two working days and, in the Adjudicator's opinion, was responsible for the transfer taking longer than the target timescale suggested by ReAssure.
44. There were conflicting accounts of the reason why the first Origo request was rejected. This may have been due to a comment in the request that referred to an estimated transfer value of £137,959.42 and said: "If estimated transfer value differs greatly, please contact us." Alternatively, it may have been due to a policy that ReAssure said it had in place at the time. Under this policy it rejected requests where there was a variance of more than 10% between the actual and estimated transfer values. The actual transfer value when the request was rejected was £118,788, 14% lower than the figure stated on the Origo request.
45. While ReAssure had been unable to provide a copy of this policy, the Adjudicator said that he had no reason to doubt that it was part of its procedures at the time.
46. The Guide stated that: "Skandia Life reserves the right to defer such transactions in certain situations where Skandia Life considers this to be in the interests of policyholders generally". In the Adjudicator's view, ReAssure had the necessary authority to reject the first Origo request.

47. The Adjudicator acknowledged that Mr S would have been frustrated by the cancellation of the first Origo request. However, in the Adjudicator's view, it was reasonable for ReAssure to have applied its standard procedures to Mr S' transfer and to have initially rejected it.
48. In the Adjudicator's view, it was not reasonable to have expected ReAssure to have allowed for the possibility of it having to reject the first Origo request when providing target timescales to Mr S. So, the Adjudicator did not take the view that the information it provided had misled him. Furthermore, the information ReAssure provided was target timescales which were not guaranteed.
49. The Adjudicator acknowledged Mr S' comment that, had ReAssure contacted him before making the rejection, he would have asked it to proceed with the transfer. There is some uncertainty over whether ReAssure emailed OMW on 30 March 2020 to advise it of the rejection. Mr S said that the transfer should have completed two working days earlier and he had suffered a financial loss as a result of the actual time taken. However, in the Adjudicator's opinion, the time taken to complete Mr S' transfer from the Plan to the CRA was not unreasonable given the estimated timescale that had been communicated to him, and the fact that the first Origo request was rejected.
50. Having listened to a number of the telephone conversations that Mr S had with ReAssure, the Adjudicator noted that there was some confusion in relation to what he was requesting. He was seeking to take the Withdrawal from the Plan which would use up some, but not all, of his entitlement. However, information was provided in relation to a full withdrawal of his funds. Mr S would have been frustrated that he could not get his message across and, as a result, was likely to have spent more time on the telephone than he had planned. However, in the Adjudicator's view, this was a genuine misunderstanding, and it was eventually made sufficiently clear to Mr S that he could not take the Withdrawal directly from the Plan.
51. In relation to the SLOD disclaimer that was read to Mr S in February 2020, the Adjudicator did not take OMW's view that this was the incorrect disclaimer. It did not relate to the Withdrawal, as this was not an option under the Plan. However, ReAssure confirmed that it was the one used for the taking of tax-free cash and a pension.
52. There was some confusion over the forms that Mr S needed to complete to request the transfer from the Plan to the CRA. Mr S was told by ReAssure that it had sent him the correct forms, which were OMW forms. However, OMW told him that he would also need to complete ReAssure forms, which was not the case.
53. In the Adjudicator's opinion, this amounted to maladministration on the part of OMW.
54. OMW acknowledged that it provided incorrect information to Mr S and offered him £200 in recognition of this, and the delays in responding to his complaint. In the Adjudicator's view, the award offered was sufficient in the circumstances.

55. Furthermore, while Mr S was caused some distress and inconvenience by ReAssure, the Adjudicator did not take the view that this was sufficient to warrant an award for redress in this instance.
56. Mr S did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Mr S provided his further comments in response to the Opinion which are summarised below:-
- He was not aware at the time that OMW's Origo request of 27 March 2020 included a comparison between the actual transfer value and a figure of £137,959.42. It should have been clear to OMW that, when he instructed for the transfer to proceed, the transfer value at the time was not remotely close to £137,959.42. He would never have asked for such a comparison to be undertaken.
 - Had the comparison been made between the transfer value on the day that he requested that the transfer proceed and the final transfer value, the variance would have been less than 10% and the transfer would have proceeded without delay. Had he been aware that such a comparison would be required, he could have provided an estimate of the transfer value on the day of his request to OMW.
 - He had made it clear throughout the transfer process that the timing of the transfer was key, and he wanted it completed as fast as possible.
 - The £200 distress and inconvenience payment offered by OMW would have been acceptable provided that a substantial offer was made by ReAssure, who he considered to be at fault.
 - He had made withdrawals close to the end of each tax year in the past. So, when preparing to make the Withdrawal he was not expecting to be informed of the formation of two separate organisations with the same address. He had then been informed by ReAssure that he would need to use a financial adviser to take a payment or make a transfer once the imminent split was completed. He had to change his priorities and make a transfer to the CRA. This had led to confusion on both sides.
 - As he wanted to make the Withdrawal in the 2019/20 tax year, he tried to arrange the transfer towards the end of that tax year. However, at that time the markets collapsed. This, together with the confusion and incorrect information he was given, made things very complicated for him.
57. I have considered the additional points raised by Mr S; however, they do not change the outcome, I agree with the Adjudicator's Opinion.

Ombudsman's decision

58. The main part of Mr S' complaint concerns unreasonable delays that he says occurred when transferring his benefits from the Plan to the CRA. He said that he

was not made aware at the time that the Origo transfer request, that OMW created on 27 March 2020, referred to a comparison between the final transfer value and a previously quoted transfer value of £137,959.42. He said that he would never have asked for such a comparison to be undertaken.

59. Mr S maintains that, had a comparison been necessary, it should have been based on the transfer value on 26 March 2020, when he requested that the transfer proceed, rather than a transfer value figure that he believed dated back to February 2020. However, he did not consider that a comparison was necessary.
60. It is not unusual within the pensions industry for comparisons of this type to be undertaken as a matter of course. The check is to ensure that members requesting a transfer based on an estimated transfer value still wish to proceed should there have been a significant increase or decrease in the transfer value since the estimate was provided. I find that ReAssure was correct to apply the check in the case of Mr S' transfer as it has confirmed that it was part of its procedures at the time.
61. While I note Mr S' comment that the check should not have been based on the transfer value estimate of £137,959.42, which he believes dates back to February 2020, I find that ReAssure was correct in using the transfer value figure that had previously been provided to Mr S. I do not agree that it was necessary for it to calculate a more up-to-date figure or request a figure from Mr S. While Mr S has said that he was looking at the value of his investments on a daily basis, this would not be the case for many members requesting a transfer. So, the comparison with an earlier transfer value estimate would be of benefit to those other members even though it was of less value to Mr S.
62. It is unfortunate that volatility in the investment markets caused the check to trigger a delay in the transfer. However, while Mr S had a number of conversations with OMW concerning the timing of the transfer, I would not expect ReAssure to have applied the check in a different way or interpreted the results differently because of these conversations.
63. I understand that Mr S would have experienced some frustration that, when preparing to make the Withdrawal towards the end of the 2019/20 tax year, it had proven to be more complicated than similar withdrawals that he had made close to the end of previous tax years. However, as already acknowledged by OMW, the acquisition of Old Mutual Wealth Life Assurance Limited by ReAssure Limited in January 2020 caused additional complications.
64. As a result, Mr S had effectively two organisations to deal with and a transfer from the Plan to the CRA to arrange. I acknowledge that he was also under some time pressure, as he did not wish to have to use a financial adviser.
65. There were some misunderstandings in the subsequent interactions that Mr S had with ReAssure and OMW. In addition, OMW provided him with some incorrect information in relation to the forms he needed to complete to request the transfer. I agree with the Adjudicator's view that the £200 payment already offered by OMW is

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adequate recognition of this. Furthermore, I find that any confusion caused by ReAssure was not sufficient to trigger a further payment for distress and inconvenience.

66. In conclusion, I do not uphold Mr S' complaint.

67. Mr S is free to approach OMW in relation to its offer of £200 for non-financial injustice should he wish to take up its offer.

Anthony Arter CBE

Deputy Pensions Ombudsman
14 May 2024