

Ombudsman's Determination

Applicant	Mrs N
Scheme	ReAssure Retirement Account (the Retirement Account)
Respondent	ReAssure Ltd (ReAssure)

Outcome

1. I do not uphold Mrs N's complaint and no further action is required by ReAssure.

Complaint summary

2. Mrs N has complained that ReAssure used the incorrect unit price date to purchase her chosen units when setting up her new Retirement Account. She would like to establish:
 - when ReAssure received the completed application form;
 - what date should have been used to sell and purchase the relevant units; and
 - what financial loss she has suffered.

Background information, including submissions from the parties

3. Mrs N held two personal pension policies (**the Policies**) with ReAssure. Mrs N wanted to transfer the funds from the Policies to a Retirement Account with ReAssure. The Policies were administered by ReAssure's office in Telford (**ReAssure Telford**) and the Retirement Account was administered by ReAssure's office in Romford (**ReAssure Romford**).
4. Mrs N signed and dated the Retirement Account application form on 29 August 2018. Mrs N claims to have sent this to ReAssure on 29 August 2018, via first class post. The copy of the completed application form provided by ReAssure is date stamped as being received on 31 August 2018.
5. The declaration on the application form states, "the benefits are subject to recalculation using unit prices and fund values applicable on the date following receipt of this completed application form."

6. In September 2018, ReAssure Telford sent Mrs N a letter confirming that her application for a new Retirement Account had been processed. The total amount transferred from the Policies was £204,706.91.
7. During a telephone call with ReAssure Telford, it confirmed to Mrs N that she held:
 - 119816.7453 units in the UK & Global Equity Tracker fund; and
 - 36890.7732 units in the Corporate Bond fund.
8. On 31 October 2018, Mrs N submitted a complaint to ReAssure using the messaging service on its website. She said:-
 - Based on her calculations, ReAssure Telford had used fund prices from two different days; 30 August 2018 to purchase units for the Retirement Account and 31 August 2018 to sell units from the Policies.
 - The same date should be used to purchase and sell the units.
 - Had ReAssure Telford used the same date for the units, her tax-free lump sum would have been increased by £384.79 and her fund value would have been £205,861.27.
 - If the units had been purchased and sold on 30 August 2018, she would have had 120492.4047 units in the UK & Global Equity Tracker fund and 37098.8058 units in the Corporate Bond fund.
9. On 2 December 2018, Mrs N sent a letter to ReAssure Romford as she had not received a response to the complaint she had raised using ReAssure's website.
10. On 12 December 2018, ReAssure Romford replied saying that it had not received any correspondence through ReAssure's website. As it was not the office that had administered the Policies, it forwarded Mrs N's letter to ReAssure Telford, for it to respond. ReAssure Romford was unable to deal with the complaint as it did not have access to the relevant information.
11. On 19 March 2019, Mrs N wrote to ReAssure Telford as she had not received a response. In this letter, she reiterated her complaint points.
12. On 11 April 2019, ReAssure Telford responded to the complaint. It said:-
 - It received the completed application form on 31 August 2018. So, this was the date used to calculate the value that was transferred to Mrs N's new Retirement Account.
 - As the application form was received on 31 August 2018, it was not possible to use the unit price as at 30 August 2018.
 - It apologised for the delay in dealing with the complaint and upheld this part of the complaint.

13. Mrs N remained unhappy with the outcome of the complaint, she wrote to ReAssure Telford, appealing the decision. Mrs N did not provide any new comments.
14. In response, ReAssure Telford said that both the sale units in the Policies and the purchase units of the Retirement Account were carried out using the unit price of 31 August 2018. As trading would have still been ongoing on 31 August 2018, the unit prices were submitted overnight and fixed for that date. If it had used the unit prices based on Mrs N's calculations, when the price was higher, fewer units would have been purchased.

Mrs N's position

15. Having conducted individual research, she had based her calculations on the unit prices as at 30 August 2018 which were as follows:
 - UK All Company Tracker – 4.130
 - Global Equity – 5.895
 - Corporate Bond – 1.1098
 - UK & Global Equity Tracker – 1.3668
16. Based on her own research Mrs N believes that different dates were used by ReAssure for purchasing and selling units. She believes ReAssure used the closing prices on 31 August 2018 to sell the units in the Policies and the closing prices on 30 August 2018 to buy the units in her Retirement Account.

ReAssure's position

17. The completed application form has a post room stamp of 31 August 2018. So, this was the applicable date for processing the units. It has provided evidence of the prices on that date.
18. It cannot establish any calls or letters where Mrs N would have been told that the unit prices of 30 August 2018 were used to purchase units for the Retirement Account.
19. The fund value unit prices as at 30 August 2018 were:
 - Corporate Bond – 1.1131
 - UK & Global Equity Tracker – 1.3757
20. The fund value unit prices as at 31 August 2018 were:
 - Corporate Bond – 1.1098
 - UK & Global Equity Tracker – 1.3668
21. The fund value unit prices as at 3 September 2018 were:
 - Corporate Bond – 1.1121

- UK & Global Equity Tracker – 1.3602

Adjudicator's Opinion

22. Mrs N's complaint was considered by one of our Adjudicators who concluded that no further action was required by ReAssure. The Adjudicator's findings are summarised below:-

- The dispute revolves around when ReAssure Telford should have processed the sale of the units in the Policies and purchased the units in the Retirement Account. Mrs N has also questioned when ReAssure Telford received the application form.
- Mrs N sent her completed application form to ReAssure Telford on 29 August 2018. The post room stamp on the completed document clearly shows that ReAssure Telford received this on 31 August 2018. The Adjudicator appreciated that having sent the application by first class post Mrs N might reasonably have expected it to be delivered to ReAssure the following day. However, there was no guarantee of this and ReAssure cannot be held responsible for the time taken to deliver the letter. The evidence is clear that the application form was received by ReAssure on 31 August 2018.
- Mrs N has queried the date that should have been used to disinvest the Policies and purchase the units in the Retirement Account. The declaration on the application form states that "the benefits are subject to recalculation using unit prices and fund values applicable on the date following receipt of this completed application form." ReAssure has said that both the sale units in the Policies and the purchase units of the Retirement Account were carried out using the unit price of 31 August 2018. As trading would have still been ongoing on 31 August 2018, the unit prices were submitted overnight and fixed for that date. As ReAssure Telford received the application form on 31 August 2018 it correctly used the unit prices at close of business on 31 August 2018.
- It would not have been possible for ReAssure to have sold and purchased units before receiving the completed application giving the authority for it to do so. But in any event, the unit prices were lower on 31 August 2018 so, when purchasing units on this date, Mrs N was able to purchase more units in each fund. If the unit price of 30 August 2018 had been used, Mrs N would have less units in her Retirement Account.
- ReAssure's acts do not amount to maladministration and, in any event, Mrs N has not suffered a financial loss.
- For completion, the Adjudicator addressed the time it took for ReAssure to respond to Mrs N's complaint. Mrs N initially raised the complaint on 31 October 2018 but did not receive a response to the complaint until 11 April 2019. It was not Mrs N's fault that ReAssure's offices did not receive the online message. Further,

Mrs N was not to know that she should have sent her complaint to the ReAssure Telford office as opposed to ReAssure Romford. However, once ReAssure Telford became aware of the complaint, it was quick to address Mrs N's concerns and it apologised for the delay. This delay would not have caused Mrs N significant distress and inconvenience.

23. Mrs N did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Mrs N provided her further comments which do not change the outcome. I agree with the Adjudicator's Opinion and note the additional points raised by Mrs N.
24. Mrs N has accepted that ReAssure:-
 - Received her completed application form on 31 August 2018.
 - Correctly disinvested the Policies using the unit price as at 31 August 2018.
25. However, Mrs N argues that the unit prices on 30 August 2018 have been used to purchase units for the Retirement Account. She wants the unit price at 31 August 2018 to be used to purchase the units for the Retirement Account. Mrs N questions whether the unit prices that ReAssure used have been verified.
26. Based on individual research, Mrs N says the unit prices at 31 August 2018 should be:
 - Corporate Bond – 1.1121
 - UK & Global Equity Tracker – 1.3602

Ombudsman's decision

27. Mrs N has accepted that ReAssure received her completed application form on 31 August 2018. Further, she agrees that ReAssure correctly used this date to disinvest the Policies. However, Mrs N continues to argue that ReAssure used the unit prices on 30 August 2018 to purchase units in the Retirement Account.
28. ReAssure has sent clear evidence on where it obtained the unit prices for 31 August 2018 for the relevant funds. Further, the evidence sent by ReAssure shows the unit prices before and after 31 August 2018. The next working day after 31 August 2018, was 3 September 2018. The unit prices on this date match the unit prices Mrs N has stated were available on 31 August 2018. I am satisfied that ReAssure correctly purchased the units for the Retirement Account using the unit prices available on 31 August 2018.

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29. As ReAssure correctly used the unit prices as at 31 August 2018 to purchase the funds for the Retirement Account, I find there has been no maladministration and Mrs N has not suffered a financial loss.

30. I do not uphold Mrs N's complaint.

Anthony Arter

Pensions Ombudsman
2 March 2021