

The complaint

Mr A has complained about the Prudential Assurance Company Limited. He's unhappy about the way it's handled his request to release funds from his pension plan.

What happened

Mr A has complained that he wasn't able to take 25 per cent cash from his pension when he tried to in 2017. He wasn't allowed to complete the transaction without financial advice. Prudential acknowledged its delays and made a payment to him when he complained.

In 2019 Mr A made further efforts to take his pension funds. This was eventually successful, but he feels that he was 'stonewalled', and he lost out on the chance to invest sooner.

Prudential said that it accepted there had been service issues when Mr A tried to access funds in 2017. It had responded to his concerns and made an offer in respect of any trouble and upset caused. It had explained that Mr A couldn't just access the 25 per cent tax free cash, other steps were needed, and it had suggested he contact them to discuss but he hadn't done so. It added that when it had responded to his concerns it had provided him with referral rights to this service and warned of the six-month time limit. As the complaint wasn't referred to this service it was now too late, and it objected to this service considering these issues.

Prudential said that Mr A had made contact again in 2019. It provided a timeline as follows:

05/09/19 – Mr A asks to just take 25 per cent tax free cash, he also said that he can't call as he lives abroad.

16/09/19 – Letter issued confirming main options available to Mr A and again asking him to call Prudential to finalise.

09/10/19 – Prudential confirms having received completed retirement questionnaire.

20/10/19 – Mr A messages saying he had sent all information over three weeks ago to take and wanted an update.

27/10/19 – Mr A sends a chaser regarding the above.

11/11/19 – Request acknowledged by Prudential.

12/11/19 – Message from Mr A providing his contact number.

14/11/19 – Prudential attempts to call Mr A.

17/11/19 – Mr A messages to tell the best time to reach him.

18/11/19 – Prudential calls Mr A and offers £150 for poor service. Mr A confirmed he had

received the relevant paperwork and he wanted to take the full policy as a cash lumpsum. But he did not require this until January 2020 due to his tax situation. Prudential arranged a call back for him to go through the next stage of the process.

18/11/19 – Final response letter issued confirming the above and providing referral rights to this Service.

20/11/19 – Prudential confirmed to have called Mr A to go through the available options and Return of Funds form was issued.

03/12/19 – Return of funds form were re- issued via email.

23/12/19 – Prudential receives completed paperwork and a covering letter confirming Mr A wants to take 100 per cent of policy as cash.

02/01/20 – Prudential sends a letter to Mr A to ask for further identification verification.

29/01/20 – Mr A contacts Prudential as he's unhappy with the lack of response. Prudential replies on the same day and refers him to their letter of 2 January 2020.

18/02/20 – Prudential confirms to have received the requested documents from Mr A satisfying their requirements for ID.

24/02/20 – Payment made.

16/03/30 – Prudential issues another final response letter issued offering £250 compensation and a further £66.78 for interest for the delay because previous emails to the complaint handler had gone into his 'junk' mail box.

Our investigator didn't uphold the complaint. He explained that he couldn't consider the issues raised from 2017 as Prudential had provided a final response and the complaint hadn't been referred to this service in time. So, it was now too late.

In relation to the issues from 2019, the investigator noted that Prudential had accepted there had been delays and issues with its service, but it had made an offer for the inconvenience this had caused. The investigator wasn't minded to make a further award.

Mr A didn't agree. He said that as it had taken six months to investigate this complaint, going back to 2017 wasn't unfathomable and, in 2017, he hadn't been given the chance to encash the whole fund.

The investigator didn't change his view, he said the issues from 2017 were outside of our jurisdiction due to the rules that apply. He also said that Prudential had suggested he contact them, but he didn't do so, and so he wasn't able to fault them if Mr A wasn't aware of all his options.

Mr A didn't agree and asked for a decision from 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.

I agree with the investigator. I don't uphold this complaint.

I can't consider the issues arising from 2017. Mr A was sent a final response which provided referral rights to this service. The complaint wasn't referred to this service within the six-month time limit, and as Prudential doesn't consent, we cannot consider issues arising from that complaint as it's now too late.

Mr A contacted Prudential again in 2019. It accepts that there were issues with its service, and it made a payment to Mr A to reflect the inconvenience this caused. After further delays it made an additional offer of £250. Mr A was given the chance to encash the whole fund and that is what he chose to do. He also made it clear that he didn't want the funds until January 2020 due to his personal tax situation. The funds were paid to him in February 2020 with Prudential adding interest in respect of the later delays it had caused.

Prudential accepts there were delays by it after Mr A contacted them in 2019. But I think the offer it has made to compensate for the trouble and inconvenience caused is fair. There was a delay in payment to Mr A, but some interest has been added. The delay was relatively short, and I think this has to be considered in the context that Mr A had already said that he didn't want to receive the funds until January 2020, due to his tax position.

Overall, I agree with the investigator. I can't consider the merits of the issues arising from 2017 as these issues are outside our jurisdiction. The complaint about those issues has been referred here too late.

I don't uphold the other parts of this complaint as I think the offer Prudential has made is fair.

My final decision

I don't uphold this complaint. I consider the offer made to be fair. Prudential should pay the sums offered to Mr A if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 4 November 2020.

Keith Taylor
Ombudsman