

## **The complaint**

Mr F has complained about the amount of time that it took for The Prudential Assurance Company Limited to make its recommendation about a transfer from his occupational pension scheme (OPS). As a result when he decided not to proceed with Prudential he had to pay another fee for an updated CETV (Cash Equivalent Transfer Value). Mr F is also unhappy that the recommendation made was not what he had requested.

## **What happened**

Mr F's complaint was considered by one of our investigators. The investigator set out the background to the complaint in his assessment of it which he sent to Mr F on 18 June 2021.

In brief, he said that Mr F had had a meeting with Prudential about the transfer in early December 2019, and it requested information from the OPS after the defined benefits scheme closed on 31 December 2019. The investigator said that the OPS sent Prudential the relevant scheme details on 31 January 2020. Further meetings were held and paperwork completed, then Prudential asked the OPS for some additional information on 4 March 2020.

Prudential received the information from the OPS on 20 April 2020, and it discussed the potential transfer with Mr F on 24 and 25 April 2020. Mr F informed Prudential that he didn't want to proceed with its recommendation and subsequently withdrew from its process. Mr F then used another firm to investigate a transfer – a firm he had previously approached about it. But he had to pay the OPS £200 for an updated CETV.

The investigator didn't recommend that the complaint should be upheld. His view was that Prudential wasn't able to provide a recommendation before it had received the scheme information it required which was on 20 April 2020. And it had then made its recommendation to Mr F within a few days of receiving that information, which the investigator thought was reasonable. The investigator said that he hadn't seen any persuasive evidence of Prudential causing unnecessary delays. So he didn't think it would be reasonable to recommend that Prudential re-imbursed Mr F for the cost of another CETV.

The investigator also said that although the recommendation that Mr F received from Prudential wasn't what he was hoping for, it was Prudential's duty to make a recommendation that it considered was aligned not only to Mr F's objectives, but also his circumstances, attitude and capacity for risk. He thought Prudential's recommendation reflected how it felt Mr F could achieve his goals taking these other factors into account. The investigator said that based on everything he'd seen, he thought Prudential had treated Mr F fairly.

Mr F didn't agree with the investigator's findings and therefore the case was passed to me to decide.

## **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.

Although I accept that Mr F may have been led to understand that the transfer process would be completed by the end of March 2020 the time taken to complete a transfer will depend on its particular circumstances. Firms are obliged to process transfers in an efficient and timely manner, but it's clearly not reasonable to hold a firm responsible for any delays that are outside of its span of control; for example where it is waiting on information from a third party.

Prudential has said that it didn't receive the CETV until 11 February 2020. This is consistent with its internal notes which show it chased the OPS for the CETV on 4 February 2020, and the OPS said it had sent it on 3 February 2020 by 2<sup>nd</sup> class post.

We asked Prudential what was happening with the transfer between Mr F's meetings with it on 1 February and 3 March 2020. Prudential said it was unable to evidence any notes for those dates. So there doesn't appear to have been a lot of progress on the transfer between Prudential receiving the CETV on 11 February 2020, and its meeting with Mr F on 3 March 2020.

A CETV is time sensitive. Its value is guaranteed for a set period, and a new CETV can be higher or lower in value. As I've said, Prudential was obliged to progress the transfer process in a timely manner, but particularly when it had received that CETV and effectively *the clock was ticking*. So on the one hand, I do think the evidence suggests there was a lack of progress for that period from receipt of the CETV until the meeting on 3 March 2020.

However on the other, I don't think the delay was material, in as far as it changes the outcome of Mr F's complaint. I accept that, ultimately, Prudential's advice, which was a 'hybrid' option of partial drawdown and an annuity may not have been what was initially discussed with Mr F. Mr F has said with only a few days to spare he was put under pressure to agree to Prudential's advice which was totally different to the original discussions he'd had with it. And I understand Mr F's position on this.

However Prudential had an obligation to consider all of Mr F's circumstances and the information that had been supplied by the OPS before it was able to make a formal recommendation. Prudential was acting as the expert in the matter, and it had a regulatory responsibility to provide advice that it considered was suitable for Mr F's circumstances. Although the actual advice may have been different to what was initially discussed, Prudential was entitled to provide the advice that it did. It was then up to Mr F to decide whether he wanted to follow that advice – he wasn't bound by it.

I think if Prudential had acted in a timelier manner on receiving the CETV and arranged a meeting with Mr F say within a week (rather than three), Mr F may have received Prudential's advice approximately two weeks earlier than he did. If that had been the case, I accept that Mr F may not have felt the same time pressures as when the advice was provided only a few days before the CETV deadline. But I think what's key is that it's clear that Mr F wasn't happy with the recommendations that Prudential had made. Mr F has said that he told Prudential he didn't want to proceed with it. And *"After consulting and taking advice from various bodies I then re-contacted [another financial advising firm] to ask if they could take up my original planned action. They said they would be able to, but I would have to get another valuation, and as this was within a year I had to pay an upfront fee of £200."*

This is consistent with Prudential's file notes from 27 April 2020 which said that Mr F was disappointed with its decision (about the transfer), and he was concerned that as his CETV was expiring he would need to pay £200 for a new one which could be a lower value.

So I think Mr F was aware that he'd have to pay for another CETV if he still wanted to explore the possibility of a transfer into drawdown (albeit with another firm). And this was after he knew what Prudential's advice was about the transfer and that it wasn't what he wanted. Even if Mr F had received Prudential's advice two weeks earlier, I don't think he would have done anything differently. I think he would still have wanted to try the other firm. It was highly unlikely that the other firm could have arranged a transfer prior to the CETV deadline expiring. I accept that the new firm might have been able to analyse a transfer on the existing CETV to see if it was generally viable. But it could have done that in any event – the problem being that, as Mr F is aware, CETV's can go up or down. As Mr F was clearly keen to continue to explore a transfer to full drawdown a new CETV would have been required to assess that option in detail.

As I have said above, the time taken to arrange a transfer will depend on the particular circumstances. And taking all the above into account, I don't think the delay I identified was the cause of Mr F having to pay for an updated CETV. I think it's more likely than not that he would have needed an updated CETV in the particular circumstances in any event, even if Prudential had provided its recommendation approximately two weeks earlier.

### **My final decision**

Accordingly, my final decision is that I do not uphold Mr F's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 5 July 2022.

David Ashley  
**Ombudsman**