

## The complaint

Mrs G complains that her husband ('Mr M') had life insurance which The Prudential Assurance Company Limited hasn't paid and that she wasn't given the option to take a pension rather than a lump sum from his pension policy after his death.

## What happened

In 1981 Mr M took out a pension policy with Prudential and made contributions to it for a number of years.

In March 2011 Mr M sadly died before his Prudential pension was in payment. Mrs G was Mr M's wife at the time of his death. She was also the executor of his estate.

In September 2011, after Mrs G had provided a copy of her husband's death certificate and the grant of probate, Prudential paid a lump sum of £73,665.01 under the policy.

In March 2018 Mrs G asked Prudential to provide her with a breakdown of her late husband's policy benefits. She said her husband had told her he would leave her over £750,000 as life cover. Finally, she said she'd been told on the phone by a Prudential consultant that her husband had other policy/policies with it.

Prudential responded, saying the policy taken out in 1981 never had any life cover attached to it, and that the benefits were calculated correctly when the claim was settled. It also confirmed there were no other policies in force in her husband's name.

In February 2019 Mrs G telephoned Prudential to complain. She wasn't happy that the correct amount had been paid – she thought Mr M had life cover. She also said she wasn't given the option of taking the benefits as a pension, rather than a lump sum.

In its response, Prudential again said there wasn't any life cover attached to the policy, and the benefits had been correctly calculated. It also said that there wasn't a widow's pension/annuity attached to the pension policy.

After this there were some further emails between Mrs G and Prudential in relation to the amount of the lump sum – I'll deal with those in my other decision as they concern the Estate of Mr M.

As Mrs G remained unhappy, she brought her complaint to us.

One of our investigators looked into her complaint and issued a view. He said that:

- There's no evidence Mr M took out an extra life assurance policy which would pay an extra lump sum if he passed away during its term.
- The booklet Mr M would've been given when he took out the policy showed that if he were to die before his pension started, his estate would be paid a lump sum.

Mrs G 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.

Mrs G thinks that her husband had life cover that she should've received a payout from after his death, and that she should've been given the option of taking the benefits from his pension policy as a pension, rather than as a lump sum.

This complaint concerns events from many years ago. While I don't doubt the sincerity of Mrs G's recollections, I must balance these against documents Prudential have provided, in order to decide what I think is most likely to be the case. For reasons I'll explain below, I'm not going to uphold the complaint, although I appreciate Mrs G will be disappointed, and I'm sorry for that.

Our service has previously provided Mrs G with a copy of the Prudential document completed when Mr M took out his pension policy in 1981. The document is titled 'Proposal for a Personal Retirement Plan'. About halfway down that one-page document there is a section titled 'Details of Proposed Personal Retirement Plan Contracts'. It can be seen from that section that Mr M's only benefit was for a basic annuity for himself. Benefit 2 under that heading was for a reversionary annuity, in other words a spouse's pension after his death. But that benefit wasn't selected and no premium was paid for it. So I'm persuaded from that document that the policy didn't provide for Mrs G to receive a pension after Mr M's death.

That section of the document also shows that life insurance as part of the pension policy wasn't applied for. I say this because Benefit 3, which is 'sum assured' (otherwise known as life insurance) is blank. So I didn't think there was any life insurance as part of the pension policy.

Mrs G says she has been told that her husband had another policy with Prudential. I can see that the 1981 Proposal document does indicate that Mr M thought he did hold a separate life assurance or annuity policy with Prudential. But I'm satisfied the policy referred to wasn't in force at the time of Mr M's death.

For all the reasons I've given above, I'm not going to uphold the complaint, although I understand this will disappoint Mrs G.

### **My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 11 January 2022.

Helen Wheatley  
**Ombudsman**