

## **The complaint**

Mr S says The Prudential Assurance Company Limited (Prudential) is responsible for poor administration and communication regarding his occupational and personal pension plans, and that this has led to financial detriment and significant inconvenience.

Mr S is represented by Caleb Roberts Financial Management Limited (Caleb), which was also his Financial Adviser when liaising with Prudential about his retirement plans.

## **What happened**

Caleb met with Mr S and his wife on 24 October 2019. They were seeking advice about their pension options. Both were members of an occupational pension scheme (OPS). And both had personal pension plans. Mr S would reach his OPS scheme retirement age in November 2019. Mrs S reached this point later, in May 2020.

Mr and Mrs S had six pension plans between them, three each. This appears to have been a source of some confusion and mis-communication.

Mr S and his wife have made complaints about Prudential's handling of their OPS plans to The Pension Ombudsman. A separate complaint has been set-up with this Service to consider issues raised by Mrs S about her personal pensions. So, this decision focuses on the personal pensions Mr S had. To be clear, the pension plans I've considered are the policies ending with the references \*\*\*048 and \*\*\*550.

Another reason things became muddled is that the complaint raised with Prudential has evolved during its journey. An initial complaint was brought in January 2020, but points weren't addressed satisfactorily and new points were raised. Prudential issued at least five final response letters (FRLs) to Mr and Mrs S between March 2020 and February 2021. In addition there were further clarifying emails. Most of these communications from Prudential were directed through Caleb. Some letters muddled-up plans and relevant policyholders, adding to the confusion.

I note Caleb brought Mr and Mrs S's complaint to our Service in July 2020, while Prudential were still trying to resolve matters. That said I can appreciate why it did so, it had been given referral rights. But it's clear to see that with the situation still dynamic, there was scope for further confusion.

The circumstances surrounding Mr and Mrs S's complaints seem to be largely agreed between the parties. They and their adviser experienced problems receiving information from Prudential, which was important to making decisions about their pension plans. And some of the information was incorrect. This led to a situation where they suffered financial detriment.

I can see that Prudential apologised on several occasions for the things it got wrong. It set out some of the reasons why this had happened, for example it noted problems implementing a major system upgrade which had a substantial impact on short term service provision.

Mr S made the case that because of Prudential's poor communications, the switch of his personal pension plan funds was delayed. And that as a result he's incurred a market value reduction (MVR).

Ultimately, Prudential accepted the poor quality of some of its communications. It acknowledged that MVRs had been applied to certain of Mr and Mrs S's pension plans as a result of its communication failures. And it undertook to make sure they were no worse off financially because of the things it had got wrong.

Prudential also acknowledged it had caused Mr and Mrs S inconvenience over a prolonged period. It says to date it's paid them £750 in recognition of this. The FRLs and other communications I've seen suggest awards of between £750 and £900 have been paid.

The Investigator didn't uphold Mr S's case. She thought Prudential had done enough to put him in the position he'd have been in if everything had gone smoothly.

Given the confusions around this case and the to and fro between Mr S, Prudential, his adviser and this Service, to be fair to all parties I issued a provisional decision earlier this month. Neither party has provided any additional evidence or arguments, so I see no reason to depart from my initial findings and conclusions.

### **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.

Where there's conflicting information about what happened and gaps in what we know, my role is to weigh the evidence we do have and to decide, on the balance of probabilities, what's most likely to have happened.

I've not provided a detailed response to all the points raised in this case. That's deliberate; ours is an informal service for resolving disputes between financial businesses and their customers. While I've taken into account all submissions, I've concentrated my findings on what I think is relevant and at the heart of this complaint.

I'm not upholding Mr S's case. I'll explain why.

I can see from the business file Prudential provided that in March 2021 there were a series of emails under the title *Mr and Mr S – ongoing complaint*, between Mr S, Caleb and itself which sought to agree a position on redress across their pension plans. This included a proposed payment of £2,105 for Mr S and £10,550 for Mrs S.

I note that on 18 March 2021 after reviewing Prudential's proposition, Mr S responds to his adviser at Caleb saying:

*"Thanks I fully understand now. I accept their offer."*

It's not clear to me why this didn't draw a line under matters. Perhaps Mr and Mrs S remained unclear about how the settlement had been arrived at, although the terms in which Mr S accepted Prudential's offer doesn't suggest such. Or perhaps they felt that Prudential should be offering further compensation for the things it had got wrong.

In November 2021 the Investigator shared screen shots with Caleb, provided by Prudential to show the value of Mr S's plans \*\*\*048 and \*\*\*550 as at 22 July 2020. These also showed

that no MVR had been applied to the funds switched. Caleb wasn't convinced and remained worried Mr S had suffered a reduction in value. The Investigator thought it might be getting confused with the situation on his OPS plans.

On 6 December 2021 Mrs S emailed Caleb about her pension plans, and in setting the scene she said:

*"I have looked at our paperwork over the weekend and find that [my husband] did get more than the value so his appears to be ok..."*

On the same day Caleb contacted this Service to confirm:

*"Having reviewed our records, we agree that no MVR was applied to Mr S's plans (\*\*550 and \*\*048."*

In its response to my provisional decision, Caleb confirmed no further action was required regarding Mr S's case.

Turning to awards for distress and inconvenience. When I'm considering a complaint like Mr S's, I think about whether it's fair to award compensation for distress and inconvenience. This isn't intended to fine or punish a business – which is the job of the regulator. But when something's gone wrong, recognition of the emotional and practical impact can make a real difference.

We're all inconvenienced at times in our day-to-day lives – and in our dealings with other people, businesses and organisations. When thinking about compensation, I need to decide that the impact of Prudential's actions was greater than just a minor inconvenience or upset. It's clear to me that this was the case here. And I think that's what Prudential thought too.

Prudential has apologised to Mr S for the things it's got wrong. It's tried to put him back in the position he'd have been in if things hadn't gone wrong. And it's offered him and his wife over £700 to compensate them for the distress and inconvenience it's caused. That's considered a substantial award by this Service.

On balance, I think Prudential's compensation payments to Mr S were reasonable.

### **My final decision**

For the reasons I've already set out, I'm not upholding Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 April 2022.

Kevin Williamson

**Ombudsman**