

## The complaint

X complains that The Prudential Assurance Company Limited didn't send the necessary paperwork for a pension contribution to the correct address and he has lost out financially as a result.

## What happened

X had a Retirement Account with Prudential. He contacted it on 25 November 2020 and asked about making a contribution of £15,000. He says he made clear that the contribution had to be made before 30 November for tax reasons. X says that although Prudential didn't guarantee that this could be done he was told that it was "doable."

In order to expedite matters, he asked Prudential during the call to send the illustration and declaration he had to complete, to a temporary address. But Prudential sent the documentation to his permanent address and although this was delivered to that address on 27 November 2020, he wasn't able to pick it up or return it prior to 30 November. He complained to Prudential and asked to be compensated for the additional tax liability of £2,400 he incurred as a result.

Prudential investigated his complaint. It acknowledged that it had not sent the documentation to X's temporary address as requested. It apologised for this and offered to pay him £50 by way of an ex gratia payment. But, it said its adviser had made clear during the call on 25 November that even if the paperwork had been completed and returned before 30 November, there was no guarantee that the payment into his account would be processed within the deadline he'd set. Prudential didn't agree that it should have to pay him any compensation for any change in his tax position.

X referred his complaint to our service. Our investigator looked into his complaint. She said she'd listened to a call made in August 2020 where Prudential had made clear to X, and where he'd accepted, that the timescale to make a payment into his Retirement Account was "about a week."

X had contacted Prudential on 25 November 2020. The call had ended after its usual business hours. So there was only three working days to issue the paperwork, have it returned and processed and the payment credited to the account. She said Prudential had made it clear several times during the call on 25 November that it could not guarantee this process would be concluded before the end of the month – even if it had received the completed paperwork on the 30 November.

Our investigator thought that Prudential was not responsible for the payment not being made into X's Retirement Account by 30 November 2020 and she didn't think it should have to take any further action.

X didn't agree. He referred to the transcript of the call where he said Prudential had told him it was "doable" within the deadline he'd set. He said his accountant had calculated the tax liability at £2,400. He thought Prudential should compensate him for this loss.

Our investigator didn't change her view. So, the complaint has been 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.

I've listened carefully to two telephone calls X had with Prudential. The first call was in August 2020. He discussed the process that would apply should he wish to make a contribution to his Retirement Account. He was told that he could proceed on a non-advised basis and the process would require him to have a telephone conversation with Prudential about the risks and the HMRC limits; within 48 hours (2 working days) he would be sent an illustration and a declaration to complete; he would have to sign and return the declaration; and make a payment to his account by cheque or bank transfer. X suggested this could be done "within a week" and that was confirmed to him. He said he would contact Prudential again in September or October.

So, when X phoned Prudential again on 25 November, he already knew that the process would take about a week to complete. Right from the start of the call on 25 November Prudential made it clear to X that it did not think the process could be completed by 30 November 2020. The adviser stated several times that even if the process was started immediately she could not guarantee that it could be completed on time.

And, having listened to all of the recording I'm satisfied that whilst the adviser was willing to assist X to "try" to get everything completed within the deadline, he was not assured that this was possible. In fact she told him it was unlikely, and even if the paperwork and money was received by 30 November, it might not be processed the same day. I disagree with X that there was a 'distinct possibility' it could happen in time. I think that's also why the adviser explained to him that he could write a caveat on the Declaration to say if the investment couldn't be completed by 30 November, the funds should be returned to him. She also told X she was confident that if everything wasn't completed by 30 November he could get his funds back.

X says that if Prudential had sent the documentation to the temporary address as it had agreed to do, there's no reason why he couldn't have completed everything on time. But, having considered all of the information provided, I don't think it would be fair or reasonable to conclude that more likely than not everything could have been completed on time. I'll explain why.

Even if X had returned the paperwork by 30 November and made the payment on that day, I think it's unlikely Prudential would've processed everything immediately. Its processing times are on its website – to which X was referred during the call on 25 November. These state that for single contributions it takes three business days from the date the contribution and all the documentation is received, to process everything.

And, I'm not persuaded, it would be fair and reasonable to say that Prudential would've processed the completed documentation immediately even if it was received on 30 November. As our investigator said, industry best practice allows at least an extra day to deal with incoming post.

Prudential paid X an ex gratia payment of £50 for issuing the illustration to his permanent address rather than the temporary address he'd provided. I consider this sufficient as an apology for this administrative error. I accept that not meeting the deadline has caused X financial loss and inconvenience, however I don't think it's fair or reasonable to hold Prudential responsible for this. Even if it had not made an error by using the wrong address,

it's more likely than not in my view that X would have missed the deadline. I don't require it to have to do anything further to resolve this complaint.

**My final decision**

For the reasons given above, I do not uphold this complaint about The Prudential Assurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 7 October 2022.

Irene Martin  
**Ombudsman**