

The complaint

What happened

Ms R complains that she believes a pension policy she holds with The Prudential Assurance Company Limited is a Whole of Life policy.

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.

In late 2021, Ms R complained to Prudential about her pension policies. She said there was confusion around the type of policies she held, and she believed she was sold an investment-based insurance policy by an Assurance company. Ms R wanted access to her funds because she's experienced financial hardship. In response, Prudential said:

- Ms R holds two pension plans with Prudential, as shown on her annual statements.
- Ms R can't access her pension benefits until she turns 55 – so, she can't access her funds until January 2028.
- It couldn't find any evidence that suggested it had misled Ms R about the type of policies she had.
- It was sorry for not sending copies of Ms R's policy applications, as she requested. It had a copy of her original policy application but not a subsequent form for her second plan.
- It also apologised for difficulties Ms R had reaching Prudential by phone. Prudential offered Ms R £75 compensation.

Ms R disagreed with Prudential's response, she reiterated she was told in 2016 that changes were being made to the funds she was invested in. And her policy was sold by a Life Assurance Society (that later became Prudential) so she didn't believe she had a pension policy. Ms R referred her complaint to our Service to review.

One of our Investigators considered the complaint but didn't uphold it, saying he thought it was sufficiently clear Ms R had applied for a pension. And because she was not yet 55 years old, Ms R was not entitled to access her pension benefits. Our Investigator thought Prudential's offer of £75 fairly compensated Ms R for the inconvenience caused by its actions. Ms R disagreed, saying:

- The documentation she has states she has a life insurance fund - she has a fund with investments and possibly a pension plan.
- The application contained incorrect employer details, and "states life assurance".

- You don't have a medical assessment for life assurance, which she undertook as part of the application.
- Prudential used a trading name that she thought was wrong.

So, this complaint came to me for a final decision.

What I've decided – and why

Prudential has said Ms R holds two pension policies:

1. Her plan ending 516 was set up in January 1995, which is a *“unitised personal pension set up to accept contracting-out payments from the Government, providing benefits at any time between the ages of 55 and 75.”*
2. Her plan ending 718 was set up in April 2001. This is a *“Unitised Personal Pension providing benefits at any time between the ages of 55 and 75.”*

I've reviewed the application form Ms R completed when taking out her first pension policy, alongside Ms R's comments about it. I agree with her that not all of the application is legible, as it is an old document that was scanned to create a digital record. But from what I have seen, I think it was sufficiently clear it was an application for a pension plan. I understand Ms R's comments about the name of the firm that sold her pension, but the application form is entitled *“personal pensions”* and there's multiple legible references to it being a pension policy including a declaration, signed by Ms R, that says she intended to become a member of the personal pension scheme. Whilst there's no copy of the second policy application form set up in 2001, the statements and policy information available suggests Ms R has two pension plans. I've found nothing in the available documentation to suggest Ms R holds an insurance policy. Similarly, I've seen nothing to suggest Ms R's policies are not correctly held with The Prudential Assurance Company Limited, as shown on its letters and statements sent to Ms R.

Some of Ms R's pension fund is invested in the Prudential With-Profits Pension fund, and it's not unusual for a pension plan to be invested into a With-Profits fund. Ms R has referred to Prudential's letter of October 2016 causing confusion, but this also refers to *‘pension plan holders’* and there's nothing to suggest Ms R held a different sort of policy, such as a life insurance policy, in this letter.

Overall, I'm satisfied the policies Ms R complained about are pension policies. The rules applying to these policies say she cannot access her policy benefits until she turns 55. So, whilst I was sorry to learn of the financial hardship Ms R has faced, I can't ask Prudential to allow Ms R to access her pension benefits before she turns 55.

Prudential has acknowledged some delays in sending Ms R a copy of her policy application form and said it had long wait times when Ms R tried to call them. Having considered the likely impact on Ms R, which did not impact the outcome of her complaint, I think Prudential's apology and offer of £75 compensation fairly acknowledges the inconvenience caused by Prudential's actions.

My final decision

For the reasons explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 23 February 2023.

Victoria Blackwood
Ombudsman