

The complaint

Mr B complains that on multiple occasions, The Prudential Assurance Company Limited sent correspondence to him at the wrong address. Mr B says that despite asking Prudential to update their records, they failed to act. He's now concerned this has put him at risk of identity theft causing him significant anxiety.

What happened

In December 2019 and then again in January 2020, Mr B wrote to Prudential asking them to update their records after he'd moved address. Despite asking Prudential to make the amendment, Mr B says they continued to send his statements to his old home. When his pension statements eventually found their way to him, he says it was evident the envelopes had been opened.

Mr B explained he first realised there was a problem when his 2020 statement went to his old address. After contacting Prudential again via their online chat function, he understood it had been resolved.

When his next statement went to his old address, he raised a complaint with Prudential in April 2021. At that point, Prudential apologised and assured Mr B they'd put their records straight. They also sent him £250 to say sorry.

Thinking the issue had been resolved, Mr B then discovered his next annual statement had been sent to his old address and again, found himself having to complain to Prudential. In April 2022, Prudential wrote to Mr B explaining the background to how the error had occurred and provided an assurance that this time, their records had been put right. They also explained they'd noted the mistake as a breach. Prudential offered Mr B an additional £300 as a gesture of goodwill for the upset they'd caused him.

Unhappy with Prudential's response, Mr B recontacted them and said in summary that he didn't feel they'd got to the heart of his concerns. He was concerned about the integrity of their IT systems and what Prudential's errors could have caused. Mr B felt it could lead to fraud being committed in his name. He said the trouble and upset this caused him in trying to get Prudential to put things right had seriously impacted his mental health.

Prudential responded, again apologising. They explained they have robust systems in place to prevent fraud but, as a further gesture of goodwill, they sent Mr B an additional £150 for the trouble of having to write in again. Mr B remained unhappy with Prudential's response. He didn't think they'd explored why there were delays in acknowledging his complaint along with the time they took to resolve things for him. In their response to Mr B, Prudential again apologised for their errors and offered Mr B a further £300, taking their total redress to £1,000.

Unhappy with Prudential's response, Mr B then referred his complaint to this service. In summary, he said he didn't feel they'd taken his concerns seriously, particularly the distress and anxiety he said he'd suffered as a consequence of Prudential's errors.

The complaint was then considered by one of our investigators. She concluded that in their response to Mr B, despite taking a number of attempts to do so, Prudential had treated Mr B fairly overall. She also said in summary, that she felt Prudential had addressed all of Mr B's various concerns and concluded their latest resolution letter demonstrated how seriously they'd taken the matter. She thought the £1,000 they'd offered Mr B was fair and reasonable.

Mr B however, disagreed with our investigator's findings. In summary, he said the investigator had not fully understood the impact Prudential's actions had taken on his health nor the countless hours he'd had to spend trying to resolve this. Our investigator was not persuaded to change her view as Mr B did not present any new arguments she'd not already considered or responded to. Mr B asked the investigator to pass the case to an Ombudsman to review that outcome.

In March 2023, the case was passed to an Ombudsman. As part of his considerations, he asked for clarification on an issue from Mr B. In response, Mr B explained that despite Prudential's assurances his address had been corrected, he had that day received a further letter from Prudential that had been sent to his old home. The pictures he sent appeared to show the envelope had been opened and sellotaped shut.

Prudential were asked to investigate how this had occurred. They explained they'd identified that an 'end date' hadn't been added to their systems which is why correspondence kept being sent to his old address. To say sorry, Prudential offered Mr B a further £500 for the trouble they'd caused him and explained and confirmed the issue had now been resolved once and for all.

Mr B was asked to consider Prudential's offer. He responded to this service by explaining that he didn't feel it was enough. He said he's had repeated assurances from Prudential previously and despite that, they've still let him down. He said he'll only stop worrying when he receives his next statement which won't be until February 2024. He says it's seriously impacted his health as it's on his mind daily and is now at a very low ebb with it. He asked for the Ombudsman to continue with their review of his complaint.

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.

Having thought carefully about Mr B's concerns, I think Prudential have compensated him fairly for the mistakes they've made. Whilst I appreciate Mr B will likely be disappointed, I'll explain why below.

Before I do, I think it's important to acknowledge we are an informal dispute resolution service, and my role is to look solely at the impact this mistake has had on Mr B and not to penalise or investigate Prudential's data protection and IT systems.

What's in no doubt here is whether Prudential were right to uphold Mr B's complaint. Prudential have apologised for failing to get the change of address done correctly. They've also said sorry for the multiple additional steps along the way that necessitated Mr B having to get in touch with them. So, what's at the heart of this complaint is whether the £1,500 that

Prudential have offered Mr B is fair and reasonable for the trouble and upset they've caused him. Cases such as this are often subjective in nature because it's difficult to place a monetary amount on the impact a mistake has had on an individual. That's because the impact of a mistake varies between consumers. So, I've looked very closely at what Mr B has told both us and Prudential in helping shape my decision and carefully considered the amount of time Mr B's concerns have continued for.

I can well understand Mr B's frustration in having to wait three years for his address to be put right. And, having reviewed each of the four complaint resolution letters Prudential have sent Mr B along with their most recent explanation about why the error occurred, I'm satisfied that Prudential have addressed the crux of his concerns. That is to say, the delays in responding to his communications and continually sending correspondence to the incorrect address. Prudential also provided some context in their resolution letters that set out why the errors occurred. They also agree with Mr B that taking three years to alter an address isn't a service level they're comfortable with. I think what's inflamed the problem is, up until February 2023, Prudential were convinced they'd resolved the issue but then Mr B was sent a further letter addressed to his old home. So, understandably, he's reluctant to place any weight on their assurances. However, when deciding upon an award for the trouble and upset a firm has caused, I also need to consider the impact of Prudential's mistake on Mr B.

Mr B has explained he's concerned a third party could use his information to impersonate him and access his savings or commit fraud. Prudential have provided an assurance around the robustness of their security controls, which they're satisfied would prevent a third-party accessing Mr B's money if they came into receipt of his policy information. In addition, they've also explained they're satisfied having undertaken a review of his account, they've seen no evidence of anyone trying to access his pension. I can however understand Mr B's secondary concern which is that an individual could use his information in a malign way elsewhere. But, when asked if he *had* been a victim of identity fraud, Mr B didn't suggest he had been although I do accept such events come sometimes take time to materialise. So, as he hasn't been a victim of identity fraud, we cannot compensate him for something that hasn't happened. However, that's not to say he shouldn't be compensated for the worry that it might happen in the future.

Allied to this, I've also given consideration to the nature of the information Prudential sent to the wrong address. I've looked at the statements and letters that Mr B was sent. One of the statements notes his national insurance number, another his former employer, as well as policy numbers and full name so, there's no doubt Prudential have shared information they shouldn't have.

I've also given much thought to the impact this whole journey has had on Mr B's health. He's told this service it's caused him great anxiety and taken a large toll on his mental wellbeing. He's explained he's at a very low ebb given the amount of time he spends thinking about the issue. I think most consumers would find such an experience frustrating, particularly when he was assured by Prudential the error had been rectified but then discovered another letter had been sent to his old address as recently as February 2023. Mr B says he's not going to stop worrying until he gets his next statement which isn't due until February 2024. However, from what Prudential have shown me, I'm satisfied they now seem to have identified how and importantly why the mistake occurred, and have put it right.

Summary

I'm of the view that Mr B should be recompensed for the trouble and upset Prudential's actions have caused. In doing so, I've thought carefully about the level of redress Prudential have already offered Mr B. As I've already explained above, I've also thought about the materiality of the mistakes they've made. Our awards are not punitive; we do not award

compensation to discipline businesses. Instead, we make compensatory awards which account for the impact of any upset caused. Whilst this service assesses each case on its own individual merits, we try and apply an element of consistency when determining how much to award a consumer who's suffered trouble and upset.

I've taken into account the inconvenience Mr B has suffered, including the number of occasions he's had to ask Prudential to put things right including the additional repeat issue in March 2023. As I've already explained, I've also thought about the nature of the information enclosed in the letters and importantly, the anxiety and impact Mr B says this has had on his health. I think the £1,500 Prudential offered recognises the seriousness of the issue and the impact they've had on Mr B. As I believe the £1,500 is fair and reasonable, I am not going to instruct Prudential to make any further payment to Mr B.

My final decision

I don't uphold the complaint and as such, my decision is that I won't be asking The Prudential Assurance Company Limited to take any further action.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 7 June 2023.

Simon Fox
Ombudsman