

The complaint

Mr S complains that The Prudential Assurance Company Limited failed to provide him with timely, or accurate, information about his pension savings.

What happened

Mr S holds pension savings with Prudential. Those savings are held in two pension plans. Over the years Mr S says he has faced repeated problems when seeking valuations of his pension savings, either by phone, in writing, or using the online access provided by Prudential.

It appears matters came to a head in July 2022 when Mr S received an incorrect pension statement from Prudential. That document appeared to show valuations, and projections of pension income, from almost three years earlier. And although it was headed up as relating to one pension plan (that I will call Pension A) it does seem to show information about both of Mr S's plans. It suggested that Mr S's pension benefits might be worth £361,000 when he retired in January 2021. Mr S queried that information with Prudential, and asked for a statement on his other pension plan (that I will call Pension B) to be provided.

Prudential told Mr S that it couldn't provide any statements to him electronically so they would be sent out in the post. Around two weeks later Mr S received a corrected statement for Pension A – that showed his benefits with a corrected retirement date and a value of £12,989. But Mr S still didn't receive any information about Pension B. And in August Prudential again sent the incorrect information about his combined pension savings.

Mr S escalated the missing information with Prudential. He still didn't receive any information about Pension B, but he did get another copy of the incorrect statement on his overall benefits. In September 2022 Mr S was finally sent some information about Pension B. But that covered the year to November 2020, and was based on a retirement date in 2016. That same statement was sent twice more later in the month.

In October 2022 Mr S was sent a new statement on his combined benefits covering the year ending November 2021. That showed that his potential plan value at retirement had fallen to £241,000. But the following month another letter was sent reminding Mr S that he was approaching his selected retirement date on Pension A, and that his benefits would be expected to be £12,765. And, in December 2022 Mr S was sent a new statement covering the year ending November 2022, but showing a selected retirement date of January 2016. That showed current transfer value to now be £185,943, but it didn't contain any information about Mr S's projected benefits since Prudential said he was approaching his selected retirement date.

When it first considered Mr S's complaint, Prudential accepted that it hadn't provided him with sufficiently timely or accurate information about his pension savings. It asked Mr S to get back in touch if he needed any additional information, and sent him a cheque for £225 in reflection of the inconvenience he'd been caused. Mr S didn't accept that offer, or cash the cheque, and asked us to continue looking at his complaint.

Mr S's complaint has been assessed by one of our investigators. Although he acknowledged the frustration Mr S had been caused by Prudential he didn't think the incorrect information had caused Mr S to lose out financially. But he didn't think that Prudential had done enough to resolve Mr S's complaint. He asked Prudential to manually calculate the value of each of Mr S's pension plans. And he told Prudential that it should pay Mr S more compensation for the inconvenience he'd been caused. He said that a total payment of £350 would be appropriate.

Prudential accepted what the investigator had recommended. It provided updated valuations of Mr S's pension savings. And it sent Mr S a further cheque for £125. But Mr S didn't think the compensation the investigator had suggested was sufficient. He thought a payment of £1,000 would be more appropriate. So, as the complaint hasn't been resolved informally, it has been passed to me, an ombudsman, to decide. This is the last stage of our process.

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 deciding this complaint I've taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by Mr S and by Prudential. Where the evidence is unclear, or there are conflicts, I have made my decision based on the balance of probabilities. In other words I have looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

At the outset I think it is useful to reflect on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

Our investigator set out in some detail a timeline of Mr S's dealings with Prudential. And I have provided a summary of what I consider to be the key aspects of that timeline as part of the background section of this decision. It doesn't seem to me that Prudential has challenged any aspects of that timeline, and the documentary evidence that Mr S has provided supports his testimony about the information he was sent.

There is no doubt that, for an extended period of time, Prudential either failed to send any information, or sent incorrect information, to Mr S about his pension benefits. Prudential has explained to Mr S that it was undertaking a series of enhancements to its computer systems. And so, during that time, it faced some unexpected issues that impacted its ability to deal with customer enquiries in the manner or speed that might normally be expected.

I think it is important to reiterate my role at this point of my final decision. It does seem that the problems behind the systems failures that have led to Mr S's complaint were more widespread than just his pension accounts. But that isn't a matter for me to consider here – that is something that would need to be reviewed, if appropriate, by the regulator. Here, my only focus is to consider the impact that those delays caused to Mr S.

In his responses to our investigator's assessments, Mr S has explained the impact of the problems. In summary he has told us about the distress and anxiety that he was caused by the delay to him taking his retirement benefits. But I haven't seen anything that would make me think that there were any more fundamental losses caused by the problems. For

example I haven't seen anything that makes me think Mr S needed to change financial plans that were already set, or that the value of his pension savings materially fell during any delay. So my focus here now is to consider the impact of the delays of Mr S, and in particular how he should be compensated for the distress and inconvenience he was caused.

When it first responded to Mr S's complaint, Prudential sent him a cheque for £225 in recognition of the inconvenience it had caused. I agree with our investigator that the sum offered by Prudential was insufficient. Our investigator asked Prudential to pay total compensation of £350 to Mr S for his inconvenience. Prudential accepted that recommendation and sent a further cheque for the balance (of £125) to Mr S. I have thought carefully about what level of compensation would be appropriate here.

There is no doubt that Prudential has let Mr S down in the way it has communicated with him. And as Mr S has explained, he has needed to spend a considerable amount of time, both talking to Prudential on the phone, and checking the information he was sent. But our investigator has set out for Mr S the general approach that we would take when considering what compensation might be appropriate. And having looked at this complaint I share the conclusions that were reached by the investigator, that a total payment of £350 would be appropriate.

I appreciate that my decision will be disappointing for Mr S. I have seen that Prudential has now provided details of the value of his pension investments following the investigator's assessment. And I would expect that any future correspondence would be carefully checked to ensure it remains correct. But I think that a payment of £350 is a fair and reasonable reflection of the inconvenience that Mr S has been caused.

Putting things right

Mr S says that he hasn't cashed either of the compensation cheques that Prudential has sent to him. I don't know whether he still holds those uncashed cheques, or if they have been destroyed. But in any case I think it likely that at least one of the cheques will shortly be out of date.

So, Prudential should cancel both of the cheques it has previously sent to Mr S and issue him with a new cheque for compensation amounting to £350. Should Prudential be able to show that either of the previous compensation cheques have been presented by Mr S to his bank, the value of that cheque may be deducted from the compensation that is now due.

My final decision

My final decision is that I uphold Mr S's complaint and direct The Prudential Assurance Company Limited to put things right as detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 22 May 2023.

Paul Reilly
Ombudsman