

## **The complaint**

Mr M complains about poor service and communication from The Prudential Assurance Company Limited (Prudential) when he tried to transfer his pension policy into a drawdown policy.

## **What happened**

Mr M said he had poor service and communication from Prudential about his pension which didn't enable him to make an informed decision and caused delay in his pension transfer. He said he had to delay a transfer decision while he waited for the Prudential to explain why he had been given different policy values. He also complained the values were different to the ones he could see online. That delay meant that when it did eventually reply he felt under pressure to make a quick decision to transfer before 1 April 2023. He was left concerned that he had been pressured into making a decision which in hindsight might not have been the best decision for him. He was concerned that further bonuses would have been added and he could have transferred a higher amount if he had waited and transferred later. This had left him feeling stressed and anxious.

The Prudential accepted that it had caused a delay in providing Mr M with the information he asked for. It said that if it had provided it sooner it thought Mr M could have transferred on 8 March. While his transfer value was higher due to the delay, it said it would check to make sure Mr M didn't miss out due to the delay in the money being transferred to the new provider. It also said it would make a payment for the distress and inconvenience caused.

I issued a provisional decision and said the following.

I did not repeat a detailed timeline of events as neither party had disputed the dates of the various events. Further it was clear that the Prudential accepted it had caused delay and not communicated well. I could therefore consider an award for financial loss and distress and inconvenience as a consequence of those errors and this was what my decision focused on. There were several issues to consider which I summarised as follows:-

1. Did Mr M miss out by transferring when he did?
2. Did the delay in the actual transfer cause Mr M to miss out financially in terms of the amount transferred and secondly in terms of the price at which any new investments were purchased with his new provider.
3. What has the overall personal impact of these delays, failures and poor communication been in Mr M's day to day life.

### *Did Mr M miss out by transferring when he did?*

Mr M was concerned that he was put under a lot of pressure to transfer before 1 April 2023. He said that once Prudential explained the different values and why the future value was lower than the value he was being quoted, he had very little time to make a decision.

He was concerned that he may have got a higher transfer value if he had transferred after 1 April 2023. I could understand that the short timescale would have created additional pressure and meant Mr M didn't have time to fully satisfy himself that he was making the best decision for him.

Mr M's transfer was paid on 31 March 2023 and was around £198,000. But he was concerned that he had missed out on bonuses that would have been added on and after 1 April 2023.

I asked Prudential to provide further information as to whether or not he had missed out by transferring when he did. It had since confirmed that the transfer values for each of the months since he transferred (including terminal bonuses) would have been lower than the amount he received at the end of March 2023 which was around £198,000. It listed the transfer values on 3 April, 2 May, 1 June, 3 July and 1 August 2023. These increased with time from around £193,000 to around £196,000. There would not have been any market value reduction applied to the policy. Details of these values had been sent to Mr M.

Based on this evidence and with the benefit of hindsight, it seemed that Mr M did not miss out by transferring when he did compared to the months immediately afterwards.

*Did the delay in the actual transfer cause Mr M to miss out financially?*

Mr M said, had he understood why there was a difference in the transfer values between those quoted in February 2023, he would have requested a transfer on 1 March 2023. The Prudential accepted this and said that had he done so the transfer would have taken place on 8 March. But it said the value transferred would have been a lower value than the amount he finally transferred at the end of March (around £197,900 on 8 March 2023 compared to around £198,380 paid on 31 March 2023). It said it did not therefore seem he had lost out in terms of the amount it paid to him. However it accepted that the delay could have caused a loss with his new provider.

#### *Financial loss*

The purpose of an award for financial loss is to put Mr M back, as closely as possible to the position he would have been in, but for the delay. I could see that the delay could cause a financial loss with his new provider because for example Mr M had invested in new funds with his new provider, at a later date and different price, than would have been the case had he transferred on 8 March.

However, the new provider had confirmed that following receipt of the transfer Mr M had not moved to invest his funds. So the delay didn't impact any new investments and he didn't miss out.

However I noted that his new SIPP account was interest bearing, so he would have been earning interest had he transferred sooner than he did. I didn't know what rate of interest the new provider was paying on Mr M's account between 8 March 2023 and 31 March 2023.

That meant I couldn't compare the amount of around £197,900 that would have been transferred (on 8 March 2023 plus interest at the rate prevailing in his new SIPP account) with the amount actually transferred on 31 March 2023. That would tell me whether Mr M was in a better or worse position due to the delay.

Before I issued my final decision I invited Mr M to say whether he would like us to contact his new provider to establish the interest rate he would have received in his new SIPP account. This would enable a check to see if there was a financial loss due to the delay from 8 March

to 31 March 2023.

### *Distress and inconvenience*

I considered an award for distress and inconvenience. Such an award was to reflect the impact of the events on Mr M and not to punish Prudential.

The award was also intended to reflect the impact on Mr M as an individual in his specific circumstances.

It was clear to me that he had received poor service and that the delay in explaining why the values differed put him under stress and pressure. Further I could see that the short time between the position being explained and the need to make a decision and avoid missing a higher transfer value, created additional stress for him.

I could see he said he felt it was unfair, that he felt he was pressured and put under duress to make a snap decision to transfer before the end of March. He didn't feel the Prudential wanted to help or guide him, which left him feeling he was in a vulnerable position. He said the number of errors made by Prudential over many years left him feeling paranoid that there was a conspiracy against him. He felt they were making life difficult for him and he felt persecuted and that it had a vendetta against him due to his historic complaints. At one point he was so concerned he asked both his doctor and partner to follow up his complaint should he be unable to do so.

While I am not considering those historic claims I can see that a pattern of issues over time would erode his trust and confidence in the Prudential and heighten his concerns about the poor service and lack of information. Further that in turn could leave him feeling there was a deliberate pattern in the failures to support him (whether or not that was actually the case what matters is how it made Mr M feel). I can also understand that the short timescale for a decision on transfer could, quite reasonably, leave him feeling under duress. I note that Mr M says he suffers from anxiety and related issues. I thought this made him susceptible to greater impact. He said these events had caused him torment and impacted his well-being and mental health. This in turn had made him stressed and disillusioned leaving him at a low ebb and sometimes struggling to find the energy to keep pursuing the Prudential for the answers he needed.

I noted also that he was understandably frustrated with the Prudential when it could not explain things, said sorry and promised but then failed to return calls. I noted it didn't always communicate with him in the manner he preferred. While I can see that was frustrating this service couldn't tell the Prudential how to run its business.

In considering this award I noted that the timeframe of events was over several months both due to initial delays but also as he was seeking to be satisfied he did not miss out by transferring when he did.

In the light of what I understood about the impact on Mr M, I thought the impact of the delays and errors lasted for months. Given Mr M's vulnerability due to his health, I thought it had caused some acute stress, considerable distress, upset and worry. For all those reasons, I thought a total award of £650 would be fair and reasonable in the circumstances. For the avoidance of doubt the £650 included any amounts already paid by the Prudential such that it needed only pay the balance.

I invited Mr M to make any further comments or clarification of my understanding of the impact on him and to add any other comments about the impact in his day-to-day life.

I proposed to uphold this complaint. I proposed to direct that The Prudential Assurance Company Limited should pay Mr M a total of £650 for distress and inconvenience. To the extent it had already made a payment it need only pay the balance to make the total £650.

The Prudential did not respond.

Mr M responded to say the following:-

- The Prudential's inherent failures, lack of knowledge and in failure to get things right were so apparent, time and time again.
- He still did not believe in the information that they had sent to this service, due to having to endure incessant lies over the many years. He said the total lack of trust, confidence and integrity was so transparent in his case. It really did become difficult to believe how wrong, inept, and poor an organisation such as the Prudential were, in managing such a global branded business, "shambolic", was a more honest and simplified word to describe them.
- Dealing with the Prudential's dire service over all of these years, did leave him feeling frustrated, annoyed and despondent, nobody deserves that level of treatment. This had dramatically impacted severely on his health and wellbeing, resulting in him being paranoid every time he had to deal with the Prudential. This had also greatly impacted his stress levels whilst also adding to his anxiety, thus creating fear and uncertainty for him in being able to deal with them at every level. This was totally unacceptable for any individual to have to endure.
- He saw the Prudential as a toxic and ruthless organisation who were allowed to perpetuate and inflict emotional pain and suffering on their policyholders/customers lives, whilst getting away with it. An unacceptable level of service which runs through the whole structure from the top to the bottom, challenging their corporate toxic culture is not for the faint hearted and so they win every time, by mentally wearing people down, something that they are very good at doing.
- They had no control, ethics or accuracy, whilst their attention to detail did not exist and is apparent for all to see.
- He fully recognised the involvement that this service had and the limitations and parameters it has to work within. He also did not require this service to contact his new provider, and said this would not achieve a great deal, whilst only adding insult to injury. The extra inertia of bureaucracy would not achieve full justice for him.
- He felt that the extra award against the Prudential was derisory but we were where we are.
- So long as the financial penalty is not punitive, the Prudential will never give a damn, carrying on with the uncaring and bullying attitude that they promote from within, certainly keeping this organisation very busy with a multitude of complaints.
- His view of fairness, accountability and justice really did not exist when it came to seeking out the truth.

### **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 have carefully considered what Mr M has said.

I note he feels the award is derisory and will not achieve fairness, accountability and justice and that I have not been harsh enough on the Prudential.

I also note his comments that without a punitive award the Prudential will not change. I do understand his point, but as I said in my provisional decision the purpose of my award for distress and inconvenience is to reflect the impact on Mr M and not to punish the Prudential.

Having considered the further points made by Mr M and for the reasons given here and in my provisional decision I remain of the view that the award is fair and reasonable in all the circumstances.

### **Putting things right**

I uphold his complaint and to put things right will direct The Prudential to make a payment for distress and inconvenience on the basis set out in my provisional decision.

### **My final decision**

I uphold this complaint.

I direct that The Prudential Assurance Company Limited should pay Mr M a total of £650 for distress and inconvenience. To the extent it has already made a payment it need only pay the balance to make the total £650.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 11 October 2023.

Colette Bewley  
**Ombudsman**