

The complaint

Mr T's complaint is that Prudential Pensions Limited (PPL) stopped sending him monthly portfolio statements in August 2022. When he called to query what had happened, he got through to a business I'll refer to as business A. It told him it couldn't locate his pension. As a result, Mr T was concerned that he was at the risk of being unable to take his pension.

Mr T would like PPL to pay compensation to reflect the time, stress and potential loss its mistakes caused him.

What happened

Mr T had a Section 226 pension from August 1984 to September 2023. This was provided by PPL. He received monthly statements about his pension.

In August 2022, Mr T stopped receiving the statements, so he called the phone number provided on a recent statement to investigate. Mr T got through to business A. Business A couldn't trace any details of Mr T's pension on its systems.

Mr T provided business A with further details about his pension but it still couldn't find it. So he complained. Business A issued its final response to the complaint on 22 February 2023.

Business A maintained it couldn't locate Mr T's pension. It therefore didn't believe that it administered the policy. But it acknowledged that it could've provided better service. And offered Mr T £100 for the inconvenience caused.

Mr T didn't agree with business A. He provided further information about his pension. Business A then issued its second final response letter dated 17 May 2023. It said that Mr T's pension was administered by a separate area of the business which handled pensions like his. And that this meant it hadn't been able to trace his pension on its system. It offered a further £350 in recognition of the delay and distress it had caused by failing to properly explain the situation.

Mr T wasn't happy with this response so he brought his complaint to this service. We initially set up the complaint against business A, as it had written two final response letters about the complaint.

Mr T said that he'd been distressed and worried when business A had told him it couldn't trace his pension. He said he hadn't been able to assess what his pension options were. He said this was particularly important as he approached age 75.

Mr T said that he'd been concerned about his pension when he stopped receiving monthly valuation statements. He said he received the last one in August 2022. Mr T said the statements had resumed in February 2023, for the 31 January 2023 valuation. But that he'd never received statements for the missing months.

Mr T said he hadn't banked the cheques business A had sent him with its two final response letters. He said that the matter had caused him considerable distress. And that he'd spent a

significant amount of time trying to get a proper response.

Our investigator issued a view on the original complaint with business A in which he said he couldn't consider the merits of the complaint as Mr T wasn't an eligible customer.

Mr T then spoke to the ombudsman assigned to review our investigator's decision. After that, this service closed the complaint against business A. Mr T took his complaint to PPL.

PPL didn't issue a final response letter or provide us with a business file. But our investigator was able to obtain information from another business which allowed him to investigate the complaint.

That business told our investigator that the monthly statements had been issued to Mr T at his correct address until he'd transferred away in September 2023.

Our investigator issued his first view on the complaint on 19 January 2024. He didn't think the complaint should be upheld. He said that PPL's administrator had confirmed that it had sent statements to Mr T's address on a monthly basis throughout. He therefore didn't think PPL could be held responsible for Mr T not receiving his correctly addressed post. Nor did he consider that PPL could reasonably be held responsible for any potential loss due to this lack of receipt. He felt it had sent the statements when it was supposed to have sent them.

Our investigator didn't think it was fair to hold PPL responsible for the poor service business A had provided.

Mr T didn't agree with our investigator. He didn't accept that six monthly statements had gone missing in the post. He said he'd received every previous statement over a 40-year period. He said he only started to receive statements again after he'd made his complaint. Mr T wanted to know what proof our investigator had that the missing statements had been posted to him.

Mr T told this service that if he hadn't made every effort to transfer his pension before his 75th birthday he could've lost every penny. This was because the trust deed for the pension stated that if a member didn't transfer the fund it would be used to pay an annuity annually after twelve months, but if a member died in the meantime nothing would be paid out.

Our investigator requested evidence that statements between August 2022 and December 2022 had been sent to Mr T. PPL's administrator stated that for technical reasons, the August 2022 to December 2022 statements weren't sent to Mr T.

Our investigator issued his second view on 13 February 2024. He now felt that the complaint should be upheld given the technical issue which had led to the August 2022 and December 2022 statements not being sent to Mr T. He acknowledged that the failure to send the statements had led to a considerable amount of distress and inconvenience for Mr T. And felt that PPL should pay him £500 for that. But he didn't think that PPL's mistake had led to a financial loss.

PPL agreed with our investigator.

Mr T said he hadn't received our investigator's second view. He thought his complaint had already been passed to an Ombudsman. Our investigator sent the second view again.

Mr T didn't agree with our investigator. He felt that the amount he'd recommended didn't compensate him adequately. He said that he could've died within the first year and his family would then have lost his entire pension. He felt PPL had let him down and that it should be

punished accordingly.

As agreement couldn't be reached, the complaint has come to me for a review.

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 done so, I'm going to uphold it. But I agree with our investigator that £500 compensation for the distress and inconvenience the matter has caused is fair and reasonable. I also agree that although Mr T has clearly suffered concerns about a potential loss, no such financial loss occurred due to PPL's failures here.

Before I start, I'd like to say I hope Mr T's health is improving. I'm sorry for what he's been going through.

I acknowledge that Mr T was concerned that he and his family could've suffered a serious financial loss if he hadn't taken the steps he took to trace his pension after his monthly statements stopped being sent. I understand that this would've caused him significant distress. However, I can see that Mr T was able to take steps to avoid any financial loss. Therefore I can't fairly and reasonably award any compensation for financial loss, as there's no evidence of any such loss.

I can however consider the distress caused by the potential for financial loss. I've done this alongside my consideration of the inconvenience caused by the technical issues which led to Mr T not receiving his usual monthly statements.

I can see that Mr T had to spend considerable time and effort getting to the bottom of the issue. And that he had to do this with both business A and PPL. As such I'm of the view that PPL should offer compensation in recognition of its failings.

I consider the investigator's suggestion of £500 compensation is fair. It reflects the inconvenience Mr T went through in trying to get his monthly statements, and the worry caused by the situation given the possibility of loss. This would be in line with what the service would normally award in situations like this.

I appreciate Mr T will be disappointed by my decision. I can see how strongly he feels about what took place. I hope he appreciates what our role is here and that we are not PPL's regulator. So, we can't punish a business or direct that it changes the way in which it operates.

Putting things right

To put things right, Prudential Pensions Limited must pay Mr T £500 for the distress and inconvenience it has caused him.

My final decision

For the reasons given above, I uphold this complaint and require Prudential Pensions Limited to pay Mr T £500.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 20 May 2024.

Jo Occleshaw
Ombudsman