

The complaint

Mrs E complains about the way The Prudential Assurance Company Limited ('Prudential') handled her request to switch her Income and Growth Bond's funds. Mrs E is supported by her husband in bringing this complaint. For simplicity, I will refer to all actions as being those of Mrs E.

What happened

Though the timeline is well-known, to assist both parties I will recap it summarily below.

Mrs E's investment is a Managed Income and Growth Bond. On 27 December 2023, Mrs E requested to switch three funds, one being the Prudential UK Select.

On 5 January 2024, she was told Prudential could not accept the switch as the percentage did not total 100%. This was incorrect. Mrs E chased the fund switch over the following months and had various communications with Prudential trying to get the switch finalised.

On 1 February 2024, although the switch was completed correctly and backdated to the original date it was requested; 27 December 2023, the letter contained an error when it quoted the name of the fund.

Following a protracted series of communication, in mid-February 2024, Prudential agreed the speed in which it dealt with Mrs E's switch had been impacted. A payment for £175 was arranged to recognise poor service. In March 2024, Prudential accepted previous information it had provided was inadequate and its service had fallen short. Pru offered a further £150.

In April and May 2024, Mrs E continued to complain, noting Prudential was displaying incorrect information in its forms. Prudential responded on 12 June 2024 further accepting unnecessary multiple calls were made by Mrs E due to its error. To apologise for the confusion and to cover the cost of calls, a cheque was issued for £75.

Whilst additional concerns were being resolved, namely that Prudential had failed to inform Mrs E of the fund name changing from Prudential UK Select to M&G UK Sustain Paris Align and calls weren't returned as promised (for which Mrs E was awarded £75 and a further £100), in the interim, a second fund switch was initiated. Mrs E requested that this switch too, be backdated to 27 December 2023.

Prudential sent its last final response in September 2024. It outlined that it could not backdate Mrs E's most recent fund switch as that was classed as a separate request. It also said it had taken responsibility for the errors relating to the original request by ensuring there was no financial loss and had compensated Mrs E a total of £575.

Thereafter, Mrs E lodged her complaint with this service. She believed Prudential should backdate her second switch request.

One of our investigators reviewed the complaint, but he didn't think it ought to be upheld. He

noted Prudential had accepted it had made various administrative errors but believed it had fairly compensated Mrs E by paying her £575 for the impact of those errors. He also agreed that the second request was separate and unrelated to the initial switch request. He concluded that he'd seen no evidence to suggest Prudential had made any errors when completing this switch, so he didn't think it ought to do anything more. Mrs E disagreed, so this matter has come to me for a decision.

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.

It is clear from the submissions of both parties that the fund switch that Mrs S requested in December 2023, wasn't handled in the way it should have been. While I have summarised everything that's happened, I want to reassure Mrs E that I have read everything she has told us about the problems she encountered. As it stands, because Prudential has accepted that it did make errors and caused delays, there are two fundamental issues here that I need to address. The first centres on whether the subsequent action Prudential has taken fairly compensates Mrs E for its errors and the second concerns whether it needs to do more in relation to the switch requested in June 2024.

With regards to the first point concerning financial loss, I'm satisfied Prudential has taken the appropriate steps to compensate Mrs E for any loss caused by the delays in completing the fund switch. The fund switch should have been completed shortly after the first request was made on 27 December 2023. But due to delays it wasn't completed until 1 February 2024. Prudential has accepted responsibility for the delays. It backdated the switch to the day of the request so I'm satisfied this Mrs E hasn't suffered a loss and she is in the position she should have been.

Mrs E has provided details of the impact Prudential's handling of the situation has caused her. And following our investigator's view, has told us that she is also unhappy about another policy she holds with Prudential. It may be helpful to note that I'm only considering the issues raised by Mrs E when she complained to Prudential, and which were addressed in its final responses. If Mrs E remains unhappy about her other policy, it would be for Prudential to look at those concerns in the first instance and as a separate complaint. As such, I won't be commenting on that policy as part of my decision.

I have considered all of the evidence provided by Mrs S in relation to this complaint. I can see that she has suffered inconvenience in needing to chase things up with many of Prudential's call handlers and corresponding on numerous occasions to seek clarification. I do think it is appropriate for Prudential to compensate her for this. Prudential has clarified that it has made payments to her totalling £575. I've considered the impact of Prudential's action on Mrs S, overall, I find that compensation offered to her to be fair and reasonable in the circumstances.

Moving to the second point, I'm sorry to disappoint Mrs E but I agree with the outcome reached by the investigator for much the same reason and won't be upholding this part of her complaint.

Mrs E's second request came in June 2024. I've not seen any evidence indicating that Prudential was responsible for delays in processing this request. Furthermore, the second request, as Prudential rightly says, is a separate request to the original switch requested in December 2023, which as mentioned above, Prudential has appropriately resolved. Given that no error has occurred in relation the second switch, I can't fairly expect Prudential to now backdate this request to December 2023 too.

In conclusion, I find Prudential failed to handle Mrs E's initial fund switch in a timely manner, but it has since ensured she hasn't been disadvantaged by the delays by backdating the switch. It has also offered compensation to reflect the impact of its handling of her request. I find the actions taken to cover any financial loss and the level of compensation offered to be fair and reasonable in the circumstances. I understand the compensation was on occasion, paid by cheque. I'm unsure if all the amounts have been cashed by Mrs S. If the cheques haven't or can't be now cashed, then Prudential should ensure any amount not received by Mrs S is resolved.

My final decision

I do not uphold this complaint against The Prudential Assurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 27 August 2025.

Farzana Miah
Ombudsman