

## **The complaint**

Ms N is unhappy that The Prudential Assurance Company Ltd has been unable to provide her with historic pension plan performance details. She is also concerned that she hadn't received a final bonus when cashing in one of her policies in 2020.

## **What happened**

The historical events in this complaint are well known to both parties, and essentially aren't in dispute. As such, I summarise the key events as follows:

Ms N had four personal pension policies, originally with Scottish Amicable (SA). In 1997, parts of SA's business were acquired by Prudential. When Ms N reached the age of 55, in November 2020, she decided to cash in these policies, and the funds were paid to her shortly afterwards.

Ms N subsequently raised some questions with Prudential. She queried why two of the funds were converted into cash accounts (rather than stay invested in with profit and managed funds). Also, shortly after her policies were valued for payout, she was made aware there would be a merger between the SA fund and a larger Prudential with profits fund. Ms N questioned if the above changes may have impacted the amount she was paid. And she asked Prudential to provide seven years of annual statements, for the period up to when she took her benefits and undertake a review of the concerns she'd identified.

Ms N eventually raised a formal complaint with Prudential. Whilst not setting out the precise concerns Ms N had raised, Prudential said they'd found no evidence of any mistakes made by them. They said they'd provide a detailed further letter explaining their decision under separate cover, but Ms N says she never received this.

Unhappy with this, Ms N complained to our service that Prudential had failed to send her the seven years' worth of annual statements she'd asked for – this preventing her from being able to understand how the funds performed, how the payout sums were arrived at, and whether (for one fund) she'd received the final bonus that she was entitled to.

Subsequently, Ms N confirmed she wanted to raise further complaints against Prudential. However, Prudential hadn't been given an opportunity to formally respond to these, so one of our Investigators said these should be considered under a new complaint, which has now been set up.

In the meantime, our Investigator issued her view on this complaint. In respect of the statements issue, she accepted Prudential's reasons for not being able to generate historic statements – essentially due to Ms N's account being marked as 'gone away', meaning no statements would have been generated. However, Prudential admitted they could have provided Ms N with the underlying information sought in a different format, and so our Investigator said that is something they now needed to do. And in relation to the final bonus issue, our Investigator referred to statements provided by Prudential, which implied that a bonus had been included when Ms N took her benefits.

But our Investigator also thought Ms N had experienced inconvenience, because Prudential failed to advise Ms N they could provide her with the fund valuation data in a different format – and suggested they pay Ms N compensation of £100 to reflect that.

Prudential accepted our Investigator's recommendation. However, Ms N reserved judgement until she'd received the information required. This was provided, contained within Prudential's final response letter in relation to the 'new' complaint points. This letter also confirmed they'd paid £100 to Ms N as compensation for the inconvenience caused.

However, Ms N advised she hadn't accepted this as a settlement and asked that an Ombudsman consider her complaint. And, having considered the evidence, I felt that an increased level of compensation was warranted, so I issued a Provisional Decision setting out my reasons, in which I said as follows:

### ***My Provisional Decision***

*Before setting out my thoughts and conclusions here, I think it would be advisable to clarify which complaint points I'm considering here, and which ones will be addressed by an Investigator in the 'new' complaint. I say that because there has been some considerable overlap in terms of the new complaint points being discussed during exchanges with the Investigator in this case. Further, our Investigator's View makes some reference to these new complaint points within her View as well, which may be confusing.*

*So, in this Decision, I'll be commenting solely on the issue of the historic statements, and the final bonus clarification issue. Which means the complaint points raised by Ms N in subsequent correspondence, focussing on (1) whether she received bonus units/cash when Prudential acquired SA in 1997, (2) the transfer of her funds from with-profit/managed funds to cash ones without her knowledge or permission, and the impact this may have had on future bonus entitlement, (3) linked to that, the effect of the 2021 funds merger, and (4) her unhappiness at receiving a letter in December 2023 providing updated values of her funds, which had been cashed in three years earlier, will be considered in the new complaint by a new Investigator.*

#### ***The Final Bonus issue:***

*Having considered the documents available here, I agree with the conclusion reached by our Investigator, although I appreciate that some of the information in Prudential's letters could have been confusing.*

*Prudential's June 2019 statement, for instance, recorded a plan value for policy xxxU848 of £22,239, with a final bonus amount of £15,181, so approximately £37,420 in total.*

*The following year, Prudential's 'Retirement notification' letter, dated 9 June 2020, contained a 'Fund value illustration' that separately recorded a current pension fund value (U848) of £41,144 and a final bonus figure of £18,056. There was nothing to say the bonus figure was part of the fund value, potentially suggesting it could be a separate sum.*

*However, Prudential's 'Your retirement options' letter, dated 24 September 2020, explained (at the top of page two) that the current pension fund value, as set out in the newly calculated and attached Fund Value Illustration, "...includes...any final bonus that may become payable on that date". That illustration confirms the value of policy U848 as being £41,542 as at that date.*

*Finally, Prudential's recent letter to Ms N, containing full plan valuation history, shows how the total value of the U848 policy (plan value plus bonus) increased gradually between 2012 and 2018 (after which statements started being sent) from £25,262 to £38,457.*

*So, based on the above, I think it's clear the amount cashed in included the final bonus amount. Accordingly, I won't be asking Prudential to do anything further in this regard.*

#### ***The Historical statements issue:***

*Ms N was sent annual statements, to her correctly updated address (not in the UK), from 2019 onwards. It appears that Prudential didn't have a valid address for Ms N in the years*

*prior to this (leaving aside the discrepancy regarding a different department being aware of her new address in 2018, and the information seemingly not being updated internally). Her account was marked as gone away, and so no annual statements were generated. This meant, Prudential said, they couldn't reproduce copy documents for that period – as there were, essentially, no originals from which to copy. I don't think that is an unreasonable conclusion to reach.*

*However, Prudential were aware what lay behind Ms N's request here – she wanted to know about how her plan had performed, she wanted details of the respective annual plan and bonus values. She first requested this information at around the end of 2020, after cashing in her pensions. And yet it was only in 2024, after our Service became involved in Ms N's complaint, that Prudential acknowledged they would be able to access that information from their systems and provide it to her. So, in very simple terms, Ms N had to wait for nearly four years to receive financial information about her four plans – information that was readily available and presumably capable of being provided at the outset.*

*Prudential have acknowledged they could have done better here, which I agree. Our Investigator awarded Ms N distress and inconvenience (D&I) compensation of £100 for the inconvenience she'd experienced. However, in these circumstances, I don't think that fairly reflects the inconvenience of having to wait that length of time for the information requested.*

*But whilst I think a higher amount of compensation is justified here, I should also explain that the amounts this Service awards for D&I are fairly modest in value. Our D&I awards are not designed to punish a business, but rather to put a monetary value on the distress a business' actions have caused. Guidelines setting out our approach to such awards can be found on our website. So, taking account of what I've said above, and having careful regard to our guidelines on this subject, I think a total D&I award of £250 is appropriate here.*

*Distress and Inconvenience – further clarification:*

*I'm aware that Prudential has already paid Ms N compensation of £100. They refer to that in the final response letter for the new complaint points. The wording of that final response letter appears to suggest that the £100 paid was compensation for all of the matters addressed within that new complaint, which includes providing information as requested by the Investigator in this complaint. A further instance of confusing overlap.*

*The confusion is also not helped by Prudential's final response letter in this complaint having their same reference as the new complaint response letter – suggesting all of Ms N's formal complaints have been dealt with under one reference/investigation.*

*However, the £100 initially awarded by our Investigator in this complaint was in respect of D&I experienced in the matters specifically investigated here – namely the final bonus issue and the historic statement issue. Accordingly, I intend to treat that payment as having been paid in relation to those points – and the ones I've covered in this Decision – meaning I'll be suggesting that Prudential pay Ms N a further £150 compensation for D&I here (assuming she accepts my Decision).*

*Which brings me on to the 'new' complaint. On the basis I've concluded the £100 D&I was payment made in relation to this complaint, it means that no D&I has been paid in relation to the new complaint points that have been raised, and which were addressed in Prudential's recent final response letter. But I want to be clear that I make no comment on whether D&I compensation is warranted in the 'new' complaint – that will be a matter for the new Investigator to consider, and nothing I've said here should be read as an opinion on what I think the outcome of that Investigation should be.*

*Conclusion*

*For the reasons set out above, I don't think Prudential has omitted the final bonus amount in calculating the total amount to be paid to Ms N under policy U848. But I do think they've*

*caused her inconvenience by not providing historic plan valuation details, as explained above, and think they should pay her a further £150 compensation for this specific issue.*

### **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.

Prudential have responded, accepting the increased D&I award I'd suggested. Ms N has also responded, acknowledging the increased award, but also making some further points.

She thinks my extra D&I award means that Prudential have "got off lightly", and the extra amount awarded doesn't reflect the seriousness of the situation. Ms N believes the "real and critical issue" is Prudential's poor business practices and their lack of transparency. Ms N relates that to her own dealings with Prudential – she had been reliant on receiving accurate information from them which they'd failed to provide, nor an explanation why not. Ms N refers specifically to the final response letter she'd received from Prudential in December 2023, which said a detailed further explanation would follow (which never did), questioning whether it even existed as it's still not been provided. Ms N believes this letter is important because it will, or should, explain why her complaint was rejected.

Responding to these points, I think some of what Ms N has said here concerns the way Prudential operates its business. I do appreciate her frustration, but this Service is not able to punish a business or tell a business what internal policies or practices it should have. If Ms N believes Prudential has "poor business practices", that is a matter she'll need to take up with their regulator, the Financial Conduct Authority.

I also appreciate when Ms N expresses her frustration at not having received all of the information she'd asked to receive, and I include the 'missing' December 2023 letter in that. I think she is right when she says the December 2023 response letter she did receive (without the extra letter with a detailed explanation) provided no clarity why her complaint was rejected. However, I think the reasons for Prudential rejecting her complaint – and I refer only to the complaint points addressed in this complaint, and make no comment on the newer complaints referred to above – have become evident in the subsequent communications that have occurred since our service became involved. I don't need to repeat these here. And I've recognised the distress caused to Ms N by having to wait to find out this information in increasing the D&I award that Prudential must pay.

This extends to another point that Ms N has raised in response to my provisional decision – that the confusing statements that set out whether the final bonus was included in respect of policy U848 is further illustration of a lack of clarity. Again, the inconvenience caused by this confusion (albeit one where Prudential did provide accurate fund value information) has been taken into consideration when concluding an increased D&I award was appropriate.

Ms N mentions another instance of Prudential's lack of transparency – their final response in respect of the newer complaints including comment and details relevant to the issues being dealt with in this 'first' complaint. I disagree that this shows a lack of transparency. I appreciate it may have been confusing, and have commented above on that issue, and on why it appears the information relating to both complaints had been communicated together.

Finally, Ms N questions why Prudential were unwilling to communicate with her by email until our Service became involved in her complaint. This is not a complaint point that was included in Ms N's complaint to our Service in June 2024, and nor (as I understand) was a complaint point that was initially raised by her with Prudential. As such, this isn't something I'm able to comment on here. It may be a point that can be considered as part of the 'new' complaint, but only on the basis that it's a complaint that has been raised with Prudential, and then given the appropriate period (eight weeks, as per the DISP Rules) to investigate and respond.

### **Putting things right**

So, having reviewed Ms N's complaint again, and having thought about the points she's raised, my final decision remains as set out in my provisional decision. Prudential should pay Ms N compensation for the distress and inconvenience their actions have caused her (in relation to the complaints considered here only) totalling £250. For the reasons explained previously, I consider £100 of this award has already been paid, and so I require Prudential to pay Ms N – assuming she accepts this Decision – a further £150 compensation.

### **My final decision**

I uphold Ms N's complaint against The Prudential Assurance Company Ltd, and require them to pay her a further £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms N to accept or reject my decision before 21 March 2025.

Mark Evans  
**Ombudsman**