

## **The complaint**

Mr M complains that the service he has received from Prudential Assurance Company Limited (Prudential) concerning his personal finances has caused him significant distress and inconvenience.

## **What happened**

In March 2024 Mr M began the process to receive the proceeds of an endowment that was maturing on 18 March 2024.

Mr M has explained that he received a letter dated 9 April 2024 from Prudential including attachments concerning a lump sum allowance (LSA) and lump sum death benefit allowance (LSDBA). He has said there was no explanation within the letter about why these attachments had been included.

To determine the purpose of these attachments Mr M had to contact Prudential on numerous occasions to request clarification on why they were included or whether they were an error. Despite making contact with Prudential Mr M did not receive an explanation or the call backs he was promised.

Mr M has said the delay caused in receiving the requested clarification has caused a delay in him receiving his pension benefits with other providers as he was unable to provide comprehensive answers pertaining to lump sum payments.

Mr M complained to Prudential that he had not received an answer to his original query about the LSA and LSDBA documents, that he had not received call backs and that there was no sense of urgency or ownership when he called in.

Prudential issued a final response to the complaint on 23 September 2024, in this letter is accepted the service it had provided had been poor. Prudential explained that it had confirmed verbally that the LSA and LSDBA forms were sent in error, but it had not put anything in writing. It was acknowledged that promises for call backs were not kept nor was there any urgency or engagement to assist Mr M. But Prudential did not agree that the errors caused had delayed Mr M in accessing his pension with other providers as they had confirmed verbally the LSA and LSDBA documents should be ignored. Prudential offered £75 for the distress and inconvenience caused to Mr M.

Mr M did not feel that Prudential had resolved his complaint and so contacted them again on 30 September 2024 to escalate his concerns.

Prudential responded to the escalation on 13 February 2025 within this response it acknowledged that how it had managed Mr M's complaint had caused him stress and had not responded to his communication 30 September in a timely manner.

Within their response they increased the compensation offer by a further £50 bringing the total offer of compensation to £125.

Mr M remained unhappy with the outcome of the complaint and referred the complaint to our service.

Our investigator reviewed the complaint and agreed that the service received was below reasonable expectations but did not agree that Mr M's pension planning had been affected by the service received.

Our investigator recommended that a total of £350, inclusive of what had already been awarded, should be paid to Mr M for the distress and inconvenience he had been caused.

Mr M responded to our investigator explaining that he felt a larger award for distress and inconvenience should be awarded and therefore did not accept their conclusions. Our investigator considered the extra points raised but ultimately felt that the total of £350 was fair.

Mr M remained unhappy with the outcome and asked for an ombudsman to review the complaint.

### **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'd like to thank Mr M for his detailed submissions on this complaint, to thank him for his time, and I hope he does not take it as a discourtesy where I've concentrated on what I consider to be the key aspects of this complaint.

All parties to the complaint have agreed that there were service failures experienced by Mr M and that he has suffered distress and inconvenience as a result. The outstanding issue, as I see it, is not to determine how or why the service failures occurred but whether Mr M has been adequately compensated for them.

I'm aware that Mr M has referred to case studies on our website in relation to what level of compensation he believes he should receive. I would like to clarify that these are examples of the types of awards we can make and that each case is assessed on its individual merits. So, whilst Mr M has drawn similarities in the circumstances between his complaint and the examples we've published, I must determine this complaint based on what I feel has been the impact to him.

Mr M has explained that because of receiving incorrect attachments following the maturity of his endowment policy, he was unable to effectively plan for his pension provisions. I have seen the letter Mr M received dated 4 July 2024 which does confirm that his policy did not have the feature of a lump sum allowance and that the chargeable gain had no relation to his lump sum allowance.

Mr M has also explained that when he spoke to a representative on 5 July 2024, they confirmed verbally that the LSA and LSDBA attachments had been sent in error.

I understand and appreciate Mr M's need for clarification concerning his pension planning. I acknowledge that a single letter confirming the contents of both communications of 4 and 5 July would have been preferable. However, I feel that the information contained within the letter dated 4 July and the verbal confirmation of the 5 July reasonably clarified the position concerning the inclusion of the LSA and LSDBA documents, critically, that they were sent in error.

I've not seen any evidence to suggest that Mr M's pension planning was adversely affected a result of receiving the above-mentioned documents, so I'm not persuaded to make any offer in regard to this specific element of the complaint.

I do agree, as our investigator did, that Prudential could have provided clarification a lot sooner than it did. Mr M has said that he began to query why he had been sent the documents in May 2024. I have not seen anything from Prudential that would support why it took until July 2024 to provide the information Mr M was requesting. I also agree that Mr M had to make contact with Prudential a lot more than should have been necessary.

Having said that I'm persuaded that in July 2024 Mr M had received sufficient confirmation from Prudential that would have allowed him to proceed with his pension planning. I've not seen anything from Mr M that persuades me that he was prevented from acting in this regard beyond July 2024.

Having read the information provided by both parties the overall impression I have of the overall service Mr M has received is very poor and I agree that an award should be made for the distress and inconvenience he has suffered. However, I'm not persuaded that the amount of £350 that our investigator recommended should be increased.

Mr M has said that the inclusion of the LSA and LSBDA documents caused confusion concerning his pension planning. So, I've considered whether what has happened would have reasonably prevented him from proceeding with these plans. As I've said above, I'm persuaded that Mr M had received sufficient clarification to allow him to proceed with this planning in July 2024. Additionally, I've not seen sufficient evidence that demonstrates that his planning was halted prior to July 2024 or after.

Although, in my opinion, Mr M had sufficient information to proceed with his pension planning in July he still continued to contact Prudential. I feel Prudential had an obligation to respond to Mr M in a timely manner and respond to his concerns. Ultimately had they done so I'm convinced that Mr M would not have needed to chase them or have contacted them as much as he did.

I'm not recommending an award above £350 as I'm persuaded that the main cause of Mr M's distress, that being the uncertainty surrounding his pension planning, was resolved early on in his correspondence with Prudential. I agree the remaining interactions with Prudential would have caused further inconvenience however the impact of this poor service would not have been as severe.

### **Putting things right**

To put things right Prudential Assurance Company Limited should:

- Pay a total of £350 for the distress and inconvenience Mr M experienced, less any amount that has already been paid towards this figure.

### **My final decision**

My final decision is that this complaint should be upheld. To put things right Prudential Assurance Company Limited should take the actions I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 October 2025.

Rob Croucher  
**Ombudsman**