DRN-5805433

The complaint

Mr S's representative has complained, on his behalf, to The Prudential Assurance Company Limited (Prudential) that it allowed his pension claim to be paid to a bank account that had been set up his in name fraudulently.

The representative has said that the funds have since been paid to another account without his knowledge. The representative believes that Prudential allowed the claim to be paid without carrying out sufficient checks on it.

What happened

The investigator who considered this matter set out the background to the complaint in her assessment of the case. I'm broadly setting out the same background below, with some amendments for the purposes of this decision.

Mr S held a personal pension policy (PPP) with Prudential. On 28 April 2023, Mr S called Prudential and went through the required security checks. He gave consent for his ex-partner to speak to the call handler.

The ex-partner explained that Mr S had received a statement saying that the policy would be reducing each year and wanted to know if he could withdraw the benefits now.

The call handler explained that the area that dealt with this type of policy wasn't available to take calls and they would need to arrange a call back. The ex-partner explained the relationship with Mr S and that they didn't live in the same property, and so a call back was arranged for a time when Mr S would be with her. A call back was arranged for 9 May 2023 at 4pm.

Prudential called Mr S on the agreed date and went through security again. The call handler asked Mr S as to how they could help, and Mr S asked if they could speak to someone else as he got a "bit tongue tied with all this sort of stuff". He passed the call handler to his ex-partner.

The ex-partner confirmed that Mr S wanted to know the value of his pension and wanted to know if he could withdraw it.

The call handler confirmed the value and that they would send Mr S the retirement options pack for him to review.

A retirement pack was sent to Mr S's home address on 10 May 2023. This confirmed Mr S's options and that, once Mr S had decided which option he wished to take, he should contact Prudential by phone.

The "claim call" happened on 31 May 2023, and Prudential then issued the claim form to take the benefits as a lump sum on 2 June 2023 and again on 3 July 2023 to Mr S's home address. The completed form, along with a copy of Mr S's driving licence and council tax bill were received on 25 July 2023.

On 31 July 2023, Prudential received a call from the ex-partner to check whether the forms had been received. The call handler completed security with Mr S and Mr S gave authority for Prudential to speak to his ex-partner. However, the call handler couldn't check the policy details at that time and asked Mr S to email in and they could confirm this.

The claim was paid on 4 August 2023 to the bank details provided on the claim form. Prudential sent confirmation to Mr S's home address on 8 August 2025, confirming that £20,746.12 had been paid to his bank account and confirmed the bank details in the letter. They also provided a P45 showing the withdrawal and the income tax that had been paid.

Mr S contacted Prudential on 7 January 2025 with regard to his pension. The call handler confirmed that the policy had been paid as a lump sum and confirmed it had been paid to the nominated bank account.

Mr S then contacted Prudential on 23 January 2025 to say that he had no knowledge of that account and asked how Prudential could process the claim without his knowledge.

Prudential responded to Mr S's complaint on 29 April 2025. It didn't feel that any error had been made in processing his claim.

Dissatisfied with the response, Mr S's representative referred the matter to this service.

Having reviewed the complaint, the investigator didn't think the complaint should be upheld, saying the following in summary:

- She'd considered whether Prudential had made any errors in the claims process which meant that it allowed the money to be fraudulently taken from Mr S's pension account.

- She'd listened to the telephone calls from the time of the claim and previous calls from 2019. In all of the telephone calls, Mr S successfully passed security and provided authority for Prudential to speak with his ex-partner.

- Prudential sent the retirement pack, claim forms and confirmation of the claim to Mr S's home address.

- Prudential had spoken with Mr S on the phone and he'd provided authority for it to speak to the third party. The claim forms were sent to his home address.

- The claim forms were completed and returned along with Mr S's identity documentation and Prudential paid the funds to the bank account details provided in the form.

- The bank account was in Mr S's name, so Prudential wouldn't have had any concerns that the money was being paid to a third party.

- Prudential also wrote to Mr S at his home address after the claim had been paid and confirmed the amount that had been paid and where it had been paid to. So, if Mr S had any concerns about the payment, he could have contacted Prudential to query this at the time.

- It was the investigator's understanding that the funds had since been transferred from the bank account to Mr S's ex-partner without his knowledge and he had reported this to the police.

- This must have caused Mr S a great deal of distress, but Prudential hadn't made any errors in the claim process or would reasonably have had any concerns at the time that would have prevented it from paying the claim.

In response, Mr S's representative said the following:

- He queried the absence of the claim call, saying that if this didn't exist, then Prudential shouldn't have issued the claim forms. He queried as to why the claim form was issued twice, on 2 June 2023 and again on 3 July 2023.

- It wasn't plausible that the investigator, Prudential or the receiving bank would be able to confirm whether the voice on the calls belonged to Mr S with any degree of certainty, even if the security questions were correctly answered. It was too easy for any potential fraudster, particularly a "family" member to know anyone's name, address, date of birth and even national insurance number.

- It required Mr S himself and close family to listen to the calls to ascertain with any degree of confidence whether the voice was Mr S's or not. And so the representative requested the call recordings.

- Typically, a utility bill used for identification purposes should be dated within the last three months. The council tax bill used was dated 10 March 2023, but the completed form was received on 25 July 2023. Therefore, this wasn't a valid document.

- He requested a copy of the statement from Prudential saying that the policy would be reducing each year.

- The signatures on the claim form and the driving licence didn't match. Prudential had previously claimed that this was to be expected given the time elapsed between the first claim in 2019 and the second one in 2023. However, the date of issue on the driving licence was 10 March 2023, which was just over four months before the form was signed on 24 July 2023. The signatures should have been checked and compared. Several characters were different.

- The ex-partner had access to Mr S's house and so to his post. And Mr S also found dealing with physical post challenging.

- He requested the relevant email correspondence between Prudential and Mr S, including the email address and IP address. Mr S also found dealing with email challenging.

- There were errors on the claim form which should have been picked up and flagged by Prudential. The claim form was signed on 24 July 2023 and received by Prudential on 25 July 2023. He enquired as to whether there was a stamped envelope to match that timeline.

- The claim was paid on 4 August 2023 into the nominated bank account and confirmation was sent to Mr S on 8 August 2025. However, the settlement amount didn't appear on the nominated bank account statement until 11th August 2023.

There was therefore a gap of a whole week. He queried as to whether any last-minute checks were being made.

- The letter from Prudential to Mr S said that “at this moment, we believe we have followed our correct claims process”. That seemed to open the door for a challenge if he could see all of the evidence.

The investigator sent the available calls to the representative, commenting that she was satisfied that Mr S’s voice was consistent in these.

The representative responded as follows:

- He accepted that, where Mr S’s voice could be heard on the calls, it was his.

- However, the ex-partner seemed very concerned with how long the process was going to take and routinely asked how long the post was going to be, with the value of the policy changing – which was a red flag.

- When the call handlers said that they would need to send more forms, the ex-partner’s tone changed, which was a red flag. None of the voice recordings featured Mr S saying that he wanted to withdraw his pension funds for his ex-partner’s benefits. The ex-partner said on one occasion that she was mother to Mr S’s children and then on another that she was a friend. She also asked Prudential to call her back on her landline.

- On different occasions the ex-partner said that Mr S was using the money to start a business, which wasn’t true, or because he wanted to access his funds as the policy was decreasing in value, which, as it was in fact increasing in value, was also a red flag. Further, one of the call handlers seemed to lose confidence in a call and began stuttering as if he had concerns.

- The ex-partner also asked whether she should put all of Mr S’s details, including the plan number, into the agreed email but this red flag wasn’t picked up.

- Mr S was a vulnerable adult and could be vulnerable to coercive behaviour. He’d also listened to the voice recordings, was upset and had no recollection of making the calls.

- Although the voice was clearly his, it sounded like coercive control where coercion had affected his capacity to make his own decisions. Mr S had demonstrated signs of coercive control, for example saying that he was prone to becoming “tongue tied” in one of the calls.

- Mr S had given consent for the duration of the calls, but there was no consent for his ex-partner to withdraw his pension fund for her own benefit. And he was still awaiting the ‘claim form’ call recording from 2023. The Prudential telephone agents all had appropriate training and experience in looking out for fraud but this was missed here, despite the red flags in the calls and in the paperwork, such as an outdated utility bill, mismatch on the signatures, and errors on the claim form as previously highlighted.

- If no claim call existed, then Prudential shouldn’t have processed the claim form, as this wouldn’t be in accordance with its own process.

- The representative also requested copies of any online correspondence between Mr S and Prudential, along with any notes the call handlers may have made.

- He also enquired as to whether the identification forms, the council tax bill and the driving licence, were copies and whether Prudential had followed its own procedure for his.

- Prudential had also indicated that it may use credit reference agencies to verify identification, and so he enquired as to whether that had happened here.

- Prudential had also said that it needed one document to confirm Mr S's bank account, and so the representative also requested a copy of this.

The investigator requested a copy of the claim call, to which Prudential responded to say that there wasn't a claim call as such, but a claim form was sent in response to the request on another of the calls.

The investigator conformed to the representative that she would be reverting to Prudential on the matter of the claim call, but addressed other comments made as follows:

- The claim form that was provided to Mr S confirmed that he needed to provide one document from Group A and one from Group B. It said to send a clear copy, so there was no requirement for original documents. The letter also confirmed that a council tax bill should be for the current year, so it would not necessarily need to be dated within the last three months.

- From listening to the calls in 2019, 2023 and 2025 at the time of the complaint, it did appear to be the same voice for Mr S in each of the calls.

- Prudential had explained that the signatures were slightly different, but this was to be expected given the time that had elapsed, and the investigator agreed that it wasn't unusual for a signature to differ slightly. The claim form was sent to Mr S's home address for him to complete and return.

- It also wasn't unusual for a consumer to be represented by a third party when making telephone calls to a provider and requesting information. The information was sent to the correct address for Mr S and no instructions were taken over the phone from a third party other than issuing the forms required.

- Mr S had previously been represented in phone calls made to Prudential. Prudential had confirmed that, as Mr S provided two forms of identification it wouldn't be necessary for it to verify the bank details provided.

- In the call records, the telephone number provided in the claim form matched the telephone number that Mr S called from in March 2025 when he raised a complaint.

- The confirmation of payment letter confirmed that it could take three to five working days for the payment to clear, so this would likely be the reason for the discrepancy in the time from the money being paid to it arriving in the nominated bank account.

In response, the representative asked the investigator to confirm whether she agreed that the signatures, which were only four months apart, were markedly different, and that the one on the claim form was too neat to be genuine. He also requested sight of the emailed confirmation that the pension funds had been paid out.

The representative also said that Prudential hadn't paid the pension claim to Mr S, but rather to an account which had been fraudulently set up in his name.

The investigator replied, saying that Prudential hadn't been able to locate the call recording for the claim call, but there was a claim call and it had provided call notes to show that it spoke to Mr S and went through the necessary risk warnings with him.

She also said that her view on the matter was unchanged, and that the bank account was in Mr S's name, rather than in the name of a third party. Had it been the latter, she said she would have expected Prudential to have carried out further checks to ensure that the money was being paid to the correct person.

The investigator added that the claim form was sent to Mr S's home address and Prudential received the completed claim form and identification it had requested to process the claim.

The investigator also sent the documents provided by Prudential to the representative. He then responded as follows:

- The ex-partner said that they received a letter informing Mr S that the plan value was decreasing by about £300 each year and this was a reason to cash it in. In fact, the annual statement said that the value had increased by over £3,000 in a year, which would have been a good reason to leave it invested. The representative queried therefore as to why this further red flag hadn't been challenged.

- On 31 July 2023, there was an email from the ex-partner chasing up the pension payment after the forms had been posted just a week earlier. Underneath the address, the date of birth that was given was wrong (a mixture of both Mr S's and his ex-partner's dates of birth). This also wasn't challenged.

- In relation to the crucial missing claim call voice recording, in the call note made on 31 May 2023 it recorded the ex-partner's landline number, along with the name "Thomas", and the fact that Prudential had been unable to provide the call recording was very suspicious.

The investigator replied as follows:

- The annual statement showed the charges that were being deducted from the plan each year, so perhaps this was what was being referred to by the ex-partner, but Prudential wouldn't be expected to question the reasons that Mr S wanted to take his benefits. It didn't provide financial advice, and Mr S was entitled to take his pension benefits at the time of the claim.

- The calls from Mr S's mobile number were made in March 2025, when Mr S raised a complaint. This was the same number as the number on the claim form. These were the calls Prudential was referring to when it compared Mr S's voice in the calls.

- A signature changing over time wasn't unusual and wouldn't necessarily raise concerns. Mr S requested to take his benefits and went through security on each call, the claim form was sent to his home address and Prudential received the completed claim form with the required identity documents.

- The bank account the money was to be paid to was also in Mr S's name, so the claim wouldn't have raised concerns with Prudential or prompted it to do further checks which might have prevented the claim from being paid.

The representative said the following in response:

- The investigator hadn't addressed his specific question about the signatures, but rather just answered with generalities. There was only a four month gap between the signatures rather than the four year gap that Prudential had cited. And the signature was getting neater over time, which wouldn't be expected.

- Some of the significant calls used the ex-partner's landline, in particular the claim call (which she had requested be used).

- The investigator hadn't challenged Prudential on it not having provided the claim call, and it shouldn't be able to lose or delete files. As with medical records, its systems should prevent files being lost or deleted or amended. It appeared very suspicious that the one crucial call recording was unavailable.

- The investigator also hadn't challenged Prudential on its correspondence by email with the ex-partner, using her email address, and also her giving the wrong date of birth. It was her email address, her landline number, her bank account (in Mr S's name), her voice in the calls, and her personal bank account (in her own name) that the total fund was then transferred into. It wasn't difficult to see what had happened.

- The representative queried whether the council tax bill and driving licence that were provided were originals or photocopies, as according to the claim form they should have been originals. He also queried what document was provided to confirm the bank account details, as Prudential had said that this was a requirement.

- It should be investigated as to how Mr S had become a victim of this scam, and this service should help put matters right. Prudential clearly could have done better. It missed opportunities to recognise the scam, when it was its job to look out for them and prevent them from occurring. And without the voice recording evidence of the 'claim call', Prudential was negligent in releasing the funds.

There followed a phone call between the representative and the investigator, in which the former reiterated his concerns and the latter reiterated her view on the matter. Key matters for discussion were: the months, rather than years, between the signature on the driving licence and that on the claim form and the difference between the two; and the email address which the ex partner used to check on the claim payment.

As agreement hasn't been reached on the complaint, however, it's been referred to me for review.

At my request, the investigator once again asked Prudential to search for the claim call, and it has since been able to provide this.

This was forwarded to Mr S's representative, who provided detailed further commentary on the call. I'll address what I consider to be the salient points of this below.

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.

And having done so, although I know this will disappoint Mr S and his representative, I've reached broadly the same conclusions as the investigator, and for similar reasons.

I'd firstly say that I'm very sorry to hear what has happened to Mr S's pension funds, but whilst I acknowledge the distress that this will have caused, I nevertheless still need to reach a fair and reasonable outcome in my consideration of Prudential's actions in this matter.

And in doing so, I need to decide what was reasonable in terms of the checks that Prudential made to establish that the claim was genuine, and that it paid the claim to what it considered to be a legitimate bank account belonging to Mr S.

From listening to the most recent phone call with the investigator, I've noted that there are several aspects which Mr S's representative considers to not have been fully addressed so far in this case, although I also noted that the investigator considers that these points have already been taken into consideration.

For the sake of completeness, however, I'll address the key points in turn below. This won't cover everything which Mr S has commented upon or queried, but will address those which I consider to be central to the case of whether Prudential has acted appropriately here.

To firstly address the matter of whether Prudential did enough to ensure that it was Mr S who was speaking on the phone in each call, if the individual calling, or being called, had passed the security questions and there was no other reasons for concern, cross referencing calls over several years to determine whether the voice was the same wouldn't in my view be a reasonable expectation. But I note in any case that that it's not in dispute that it was Mr S who was speaking when passing security and then consenting to Prudential talking to his ex-partner.

With regard then to what the representative considers to be clear difference in the signatures between the driving licence and the claim form, and that they were just months apart rather than years apart, I've looked carefully at both. And having done so, I don't think that it can reasonably be concluded that they are so different as to have caused Prudential concern that the one on the claim form had been forged. There are in my view enough similarities between them, for example, the use of the lower case "i" followed by what looks to be a capitalised "M" for them to appear to be sufficiently similar. And although the "N" is capitalised in the claim form and not on the driving licence, there are other instances within the claim form itself where that isn't the case, and the lower case "n" bears reasonable similarity to that used in the driving licence.

I think it's also worth noting that, in Mr S's complaint letter, he signed his name with the capitalised letter "N" rather than the lower case "n" on the driving licence. And so it appears that these versions of the letter "N/n" are in any case interchangeable when Mr S signs his name.

But even if a different interpretation of this were possible – and it should be noted that, as an ombudsman at an informal resolution service, I'm not, nor am I required to be, a handwriting expert - it needs to be borne in mind that calls relating to the claim were being held with Mr S (who passed security each time), or with the person who had his consent to discuss the matter (again, this isn't disputed). And so the context in which Prudential was working was that the claim was genuine and originated from Mr S.

With regard to the value of the pension having increased rather than decreased, and the assertion that this should have been noted as a matter of concern, as with the investigator, it wasn't for Prudential to challenge Mr S, or the person to whom he'd delegated responsibility within the calls, as to why he wanted to withdraw his pension funds unless it had reason to believe that a scam was being perpetrated or that the pension funds were being transferred to a destination which might be of concern. In this instance, however, the withdrawal was being made to a bank account in Mr S's name.

And again, in the context of what were calls with the genuine policyholder who had passed security, I don't think that, within the calls themselves, the call handlers would reasonably have been expected to verify the statement that the pension value had decreased (and which I think could in an case have been a result of a misinterpretation of the phrase "market value reduction" within the statement).

Turning then to the use of the ex-partner's landline within the claim call itself, it wouldn't be unreasonable for Prudential to call whichever number had been requested, so long as it was satisfied that it was speaking to the policyholder and that they had passed security.

Addressing then the record of the name "Thomas" in the call note, the note didn't indicate that the call handler spoke to anyone other than Mr S and his ex-partner. And there's no evidence of anyone else being involved in the call. And what I think is also noteworthy about that call is that, after initially speaking to the ex-partner, the call handler spoke to Mr S again to confirm that he wanted to proceed with the pension claim. So this wasn't a case of Mr S simply passing the phone over with no knowledge of the content of the ensuing conversation and what was being discussed. The claim, and what this meant, was specifically discussed with Mr S himself.

I do agree that it's most unfortunate that the claim call itself wasn't previously made available as a recording, but I don't think this is indicative of Prudential deliberately withholding information. And it has now provided that call.

Regarding the detail of call itself, I've read the comments of Mr S's representative carefully, but my view is that, although with the benefit of hindsight and knowing what has since happened there may be "red flags", this wouldn't reasonably have been obvious to Prudential's call handler at the time.

I don't intend to, nor consider that I need to, address every aspect of the comments made by Mr S's representative, but in terms of the key parts of the call, Mr S agreed to his ex-partner speaking to the call handler, a misunderstanding about the ex-partner being his wife was clarified by the ex-partner herself, and the call handler would have been aware that Mr S was listening when the ex-partner provided the rationale for the withdrawal. Further the fact that Mr S referred to an accountant who did "the books" would have been consistent with what had been described as his self-employment and the associated need for the funds.

Mr S himself confirmed – twice - that he wanted the withdraw the pension as a lump sum rather than an annuity, and he confirmed that he was aware of all the options available. And when asked whether he'd require the money to provide for his retirement, he said that some of it would be "put by" for this, but the main reason for the withdrawal was for his business. Again, this would be consistent with the rationale for the withdrawal provided by his ex-partner.

I agree that it's then noteworthy that the ex-partner asked whether the money could be paid to someone else's bank account, to which the call handler confirmed that it couldn't, but this was asked in the context of Mr S not yet having a business account set up yet. And the call handler's answer was accepted without further questioning. Further, the ex-partner had asked questions about how Mr S would know if he'd paid too much tax on the withdrawal, which I think would be consistent with someone who was genuinely trying to assist in the process and ensure that the right amount was being paid, rather than being focused on simply receiving the money as soon as possible and what would be expected to be the associated scant regard for the tax implications for the individual.

And so, for the reasons given, I don't think that the call was suggestive of Mr S being coerced or that the person who was assisting him posed a threat.

To address the matter of the documents produced to verify Mr S's identification, the claim form requested one document to confirm identity and one to confirm the bank account – one from "Group A" and one from "Group B". There was no separate requirement to provide additional evidence for the bank account itself, and Mr S duly provided one from each group. I note that the claim form requested clear copies of these, and so I don't think it matters whether Prudential received originals or copies – it in fact said that policyholders should only send originals if sending copies wasn't an option. But I'd also say that, given that it's not disputed that the documents were genuine, this seems to be a moot point.

And then finally, with regard to the use of the ex-partner's email address and the incorrect date of birth, as noted by the investigator, by the time Prudential replied to that email which had been chasing the payment, the claim had already been paid. Further, Mr S himself said in the claim call that he didn't "do email", and so it may not have been unexpected that the email would originate from the person who'd been recorded as helping him with the withdrawal.

But I've in any case also thought carefully about what would more likely than not have happened, had Prudential replied before the claim had been paid and had been concerned about both the email address and the incorrect date of birth. Had Prudential called Mr S to check that the email had either originated from him, or had been sent on his behalf, I think it's more likely than not that, as with other calls, Mr S would have deferred that conversation to his ex-partner, who would have offered the required reassurance that there was no cause for concern. And given that there was already a history of Mr S deferring the substance of previous calls to his ex-partner, I don't think Prudential's acceptance of that reassurance would have been unreasonable.

Overall, therefore, for the reasons given, I think the cumulative weight of evidence in this instance is enough to demonstrate that Prudential did enough to ensure that the claim was originating from the policyholder, that any discussion with a third party was with Mr S's clear consent (having passed the security questions), that the claim form was satisfactory, and that the recipient bank account was in Mr S's name.

As I've said above, I know that this outcome will disappoint Mr S, and my understanding is that the bank account was created in Mr S's name and that the proceeds of the claim were removed. But having done what it needed to do here, this isn't something for which I consider Prudential could, or should, reasonably be held responsible.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 17 November 2025.

Philip Miller
Ombudsman