

The complaint

Mrs D complains that The Prudential Assurance Company Limited (Prudential) will not pay her a spouse's pension from her late husband's annuity. She wants the pension paid.

What happened

Mrs D's late husband purchased an annuity with Scottish Amicable in December 2004. Prudential subsequently took over the administration of this policy. Mr D sadly passed away in February 2025 and Mrs D contacted Prudential to inform it. Her husband had told her that in the event of his death a pension would be payable to her. But Prudential said this wasn't the case, as its records were that the annuity was payable only to Mr D.

Mrs D complained about this, and Prudential apologised for any duress that was being caused. It said it didn't hold copies of the original paperwork Mr D would have completed in 2004, which would have set out what options he'd chosen. But system records had been transferred from Scottish Amicable, which were that there was no spousal pension payable in the event of Mr D's death. It said unless Mrs D had original paperwork confirming otherwise, it had to follow what its records showed and couldn't uphold the complaint. Mrs D said she didn't have the original policy information from Scottish Amicable, but said Prudential hadn't provided any other documents after it took over, other than the annual p60 tax certificate.

Mrs D referred her complaint to our service and our investigator looked into it, but she didn't uphold it.

Our investigator said Prudential had provided screenshots from its administration system which recorded the annuity was only set up for Mr D with his details entered under the "*first life*" section, with no details entered for any "*second life*". She said that the records also had a "*benefits*" section, which would confirm details of any benefits payable in the event of Mr D's death, but this was also blank. She said Prudential had explained that when a spouse's pension was being arranged it would have been typical to request a sight of the marriage certificate. But there was no evidence this had been asked for, also indicating that no spouses pension had been requested. Our investigator said based on the available evidence the annuity didn't include a spouse's pension.

Mrs D didn't agree. She said Prudential should have informed her husband about any changes. And he'd told it he wanted her to benefit from the annuity on the telephone, and Prudential should have told him to put the request in writing, if it had kept no record of this.

As Mrs D doesn't agree it has come to me to decide.

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 not upholding the complaint.

I understand that this must be very upsetting for Mrs D, but there is no evidence that Prudential has made any error, and it does appear more likely than not that there was no provision for a spouse's pension on this annuity. And that means I can't reasonably uphold Mrs D's complaint.

Whilst Prudential hasn't been able to locate any records detailing exactly what type of annuity was applied for by Mr D in 2004, it has provided some documents from then.

These indicate that Mr D had two plans with Scottish Amicable and he used one to purchase the annuity and transferred the other to a pension provider then called Scottish Life (now Royal London) at the same time. There is an illustration dated 19 November 2004 for an annuity, showing an annual income of £848.16 on Mr D's life only, after the payment of tax-free cash. And Prudential's system records for Mr D's annuity show the same £848.16 annual income. As the annuity rate a pension provider will offer depends directly on the person's age, providers usually seek evidence of this before the annuity starts. Back in 2004 this would usually have been their birth certificate. And there is a copy of a proforma letter from Prudential returning Mr D's original birth certificate to him dated 26 November 2004. But there is no entry under the box for a marriage certificate, which would also typically be required where a spouse's pension was to be arranged.

There is also a business submission sheet from a firm of financial advisers (Positive Solutions Limited, now called Quilter) for the annuity. This shows the same policy value as the illustration. And it also appears that the adviser may have arranged the transfer of the other policy to Scottish Life. I asked Quilter if it had any records which might provide some further details, and it kindly checked its records, but unfortunately was unable to find anything. But it is highly likely that Scottish Amicable would have confirmed details of what annuity had been arranged to the Positive Solutions adviser at the time. And if that wasn't what had been requested, I expect that this would have been queried then. So, all the evidence that is available strongly suggests the annuity Mr D arranged in 2004 was only on a single life basis, with no spouse's pension.

Mrs D has mentioned that Mr D spoke to Prudential on the telephone and told it he wanted a spouse's pension. But when he took the annuity out, all decisions about what options should be included like spouse's pensions, guarantee periods, whether there should be increases in payment each year and so on, needed to be made at outset. As once started, those annuity terms couldn't be changed. It may be that Mr D subsequently queried things with Prudential, and perhaps this is what Mrs D recalls here.

The information about the transfer to Scottish Life of Mr D's other pension plan suggests this was in respect of protected rights benefits. These will have arisen from Mr D having contracted out of the State Earnings Related Pension Scheme (SERPS). The rules around protected rights benefits were complicated and placed restrictions on when and what type of benefits could be provided. Benefits couldn't originally be taken until State Pension Age, and as Mr D was only 50 in 2004, he couldn't have accessed them then. Other changes were made over time, but until April 2012 there was a requirement to provide for a spouse's pension from protected rights benefits. So, depending on what Mr D did with the plan transferred to Scottish Life there may be some benefits available from this. And if Mrs D hasn't already investigated this, Royal London should be able to confirm what happened to that plan, if this isn't clear.

So, taking everything together there's no evidence a spouse's pension was arranged, but quite a lot of evidence that one was specifically not arranged with Scottish Amicable in 2004. So, I don't think Prudential has made any error, which means I can't uphold this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 18 December 2025.

Nigel Bracken
Ombudsman