

The complaint

Mr L complained that the Prudential Assurance Company Limited caused him loss due to the poor service he received when he came to take pension benefits.

What happened

Mr L held pension benefits in two plans with Prudential that comprised of additional voluntary contributions (AVCs). The total value of his funds being £347,614.

Overview

Mr L retired at the end of April 2023 and reports he started receiving his occupational pension scheme benefits shortly after that.

In 2023 Mr L started looking at taking benefits from his AVC arrangements. This involved contact with the AVC Pension Fund (the Fund) and Prudential and requesting quotes and information. Prudential accept they caused delay during this process.

By 10 April 2024 Mr L was in a position to submit an application form to Business C. He intended to take a tax-free lump sum directly and use the remainder of the funds to purchase an annuity with Provider B using the execution-only services of Business C. Ultimately Mr L took his benefits from the AVC plans in mid-August 2024. He started receiving annuity payments from September 2024.

Shortly after the funds were transferred in August 2024 to purchase the annuity Mr L instructed Provider B (via Business C) to place the purchase on hold. I do not consider I need to make any finding about why, I have seen material and submissions on this and I have not found this a determinative issue in what I have needed to decide.

Mr L complained to this Service about delays caused by Prudential and Business C. He considers the time from when he first contacted Prudential about taking his benefits, to the time he was able to take his benefits, ought to be split into different periods based on who was responsible for delay during each period.

Mr L says that all delay during the period from 2023 up to 9 April 2024 when he submitted his form to Business C is solely the responsibility of Prudential.

He says that all delay in the period from 10 April 2024 to 1 July 2024 is entirely the responsibility and attributable to Business C.

Mr L says that delay during the period from 2 July 2024 to 16 August 2024 is attributable to Prudential and Business C. Mr L made passing reference at one point to whether Provider B might also have contributed to delay here.

Both Prudential and Business C have accepted Mr L was delayed in receiving his pension benefits due to failures attributable to them and accept this caused him financial loss. They

have both identified how they say they will address, calculate and compensate Mr L for his loss. Mr L considers both of their approaches unsatisfactory.

Mr L told us he does not want to complain about Provider B and prior to the time I issued my provisional decision I could not see that he had told us anything about any complaints or offers made to or by Provider B; albeit Business C had referred to Provider B paying Mr L compensation for delays to his annuity being set up after they received the funds.

Having issued my provisional decision Mr L has let me know that in September 2024 Provider B accepted responsibility for three days delay and had paid him £100 and interest. Mr L has let me know he did not complain about them as he did not think the material supported a complaint that Provider B had caused additional delay.

Ongoing dissatisfaction with Business C is not addressed in this decision. Any reference to offers made by Business C are only included to the extent they are needed to explain my reasoning.

Mr L complained about a number of matters in respect of Prudential's work. He made complaints over a period time. In summary and including:

- Prudential insisted a Market Value Reduction (MVR) applied to his plan and this ongoing error delayed the transfer;
- There were additional delays caused by Prudential when it came to him accessing his tax-free cash and purchasing his annuity with Provider B;
- Mr L is dissatisfied with the service provided by Prudential

Mr L says the delays and poor service caused him loss for which he ought to be compensated, and he does not think Prudential have offered enough.

Given the primary issue to be decided relates to the adequacy of compensation paid and given the relatively informal nature of this Service, I am not setting out in any detail a full background. The primary issue referred to me is whether Prudential's offer is fair and reasonable in the circumstances, and in particular whether they have offered enough to put Mr L as close to the position he ought to be in, had the errors not occurred, which is my starting point.

Prudential (and Business C) say they have fairly addressed loss and Mr L doesn't agree.

Further detail on what happened

In May 2023 Prudential received a request to send Mr L retirement quotes. There was a delay in Mr L receiving these. Prudential say the Fund initially asked for a valuation (in April 2023) and only went on to ask for quotes (and Prudential say the Fund did not specify the basis for the quotes). Prudential accept that when asked to also send quotes to Mr L as well as the Fund, they at least initially failed to send them to Mr L.

Mr L went on to request further quotes in June 2023. The second only arriving in early August 2023 and it was quoted on an incorrect basis. A few days later Mr L asked for a further annuity quote. Mr L continued to chase information and a quote through August and September 2023.

On 1 October 2023 Mr L contacted Prudential again to chase information. On the same day Prudential paid Mr L £300 to apologise for the failures in the service Mr L had received.

Between May 2023 to April 2024 Prudential told Mr L an MVR applied to his plan and included this in quotes. Prudential agree this was an error that took too long to identify. Given Prudential agree they delayed Mr L being able to progress taking his benefits during this time, Prudential have acknowledged the role this error played in the delay and it is sufficiently clear to me this is logically reflected in their offer to address the impact of delay on Mr L.

Between January to June 2024 Prudential issued various responses to the complaints made by Mr L.

Business C contacted Prudential for information after April 2024 as Mr L had accepted an annuity quote from Provider B.

On 24 July 2024 Prudential received the request for Mr L's tax-free cash to be paid to him and the remainder to be transferred to Provider B.

The next day Prudential emailed the Fund to confirm whether the policies needed to be disinvested and the Fund confirmed this was required. Mr L says there was further delay caused by Prudential at this time and that during this time Mr L called for updates. I think Prudential agree.

On 6 August 2024 Mr L made a formal complaint in respect of the delay being taken to transfer funds to Provider B. Business C were involved in making a complaint. Mr L stresses this was a complaint submitted on his behalf without his authority.

Mr L was in contact with Business C as he wanted matters to complete in time to obtain Provider B's quote before it expired on 14 August 2024 and to ensure the provider received the sum said to be above the tax-free limit in time.

On 15 August 2024 £148,278.99 was transferred to Provider B (this being the funds to be used to purchase the annuity).

Following completion Prudential wrote to Mr L and set out that the fund value online had been just over £100 higher than the sum transferred. They arranged for this sum to be paid to Mr L, said to include the growth in value and interest at 8% simple for the period 15 August 2024 to 6 November 2024 (the date of the letter).

Prudential told Mr L in September 2024 that they had caused delays to the process and said the earliest date the transfer could have been completed was 1 August 2024. At this stage they confirmed they would contact Provider B to conduct a loss assessment and they also made Mr L a payment of £480.51 to reflect his distress and inconvenience.

Mr L was unhappy with this and shortly afterwards he made a further complaint. Mr L asks me to note that he doesn't consider it accurate to describe this as a 'further' complaint as it was one he had always intended to make once his funds had been paid out and he could identify all the errors.

Mr L also complained Prudential's approach to loss assessment was wrong and that there were delays going back to April 2023 including the continued errors in respect of applying an MVR.

In early November 2024 Prudential agreed they had incorrectly added on an MVR to the quotes provided to Mr L and that this ought to have been identified and addressed sooner than it was. Prudential said they had been wrong to conclude at an earlier stage that the

date Mr L could have taken his benefits ought to have been 1 August 2024. And that they had been wrong to pay him £355.01 loss based on that date.

Prudential updated their findings and concluded that without their errors and consequent delays the transfer could have been completed by 21 September 2023.

As such Prudential said they were paying Mr L a sum of £12,312.94 to represent the loss they considered they had caused him because he had been paid his tax-free sum later than he ought to have been. They calculated this on the basis that Mr L would have received a tax-free sum of £216,493.01 if he had received his benefits on 21 September 2023. Using the rate of 8% simple to assess growth on this sum they calculated a loss figure up to the date of 15 August 2024 (which was up to the date when he received his tax-free lump sum). Prudential deducted the sum of £355.01 which had been paid previously based on the previous loss assessment date. This allowed Prudential to reach the sum of £12,312.94 once net interest had been applied too. This was paid to Mr L. Prudential also paid Mr L £250 at this time to reflect his distress and inconvenience.

Prudential confirmed they awaited information from Provider B to be able to calculate loss in respect of the annuity.

Mr L and Prudential do not agree about everything that happened and when, nor do they agree about what is a fair and reasonable approach to calculate and address the financial loss experienced by Mr L.

Prudential do not accept Mr L's submissions that a hypothetical claim date of July 2023 ought to be used for all loss calculations and not 21 September 2023.

Prudential say they did not receive any request for an annuity quote until 10 May 2023 and in April 2023 the only request was for a fund value; and that the May request did not set out any basis for the quote to be provided upon. All these requests and the further quotation requests came from the Fund. In May 2023 the Fund asked that quotes were sent to Mr L, but Prudential failed to do this and sent them to the Fund instead. On 29 June 2023 the Fund made a further quotation request. All of these quotes also all incorrectly applied an MVR.

Prudential say that it was not until a phone call with Mr L on 25 July 2023 that Prudential identified an apparent mis-communication between what Mr L thought was being quoted for and what the Fund had apparently asked for. Mr L says this assertion is wrong and he has told me why he says this.

Mr L told Prudential that part of the basis of the quotes being requested by the Fund was for what Mr L intended to be the tax-free proportion, whilst Prudential identified that the Fund was asking for this to be the annuity purchase sum.

Prudential comment that any failures or errors in communication between Mr L and the Fund would be matters to be raised by Mr L to the Fund. It appears to me that Prudential attribute at least part of the reasoning why the 21 September 2023 is a fair date to use for the loss calculations on the basis of what information they were being asked for prior to 25 July 2023.

Up until the time I issued my provisional decision we had not been made aware of any complaint being made to the Fund (or Pension's Ombudsman). I explained that I would expect to be informed if there was such a complaint or if any compensation or findings had been made. As I would in respect of any complaints and findings and compensation against any parties arising from these facts, as otherwise there might be an issue in respect of whether there was double or inadequate compensation.

Mr L has let me know he did refer part of his complaint (in respect of the application of an MVR) about Prudential to the Pensions Ombudsman in early 2024 he was told there was likely to be a delay and has heard nothing further. It was only sometime later when speaking to this Service he said he wanted his complaints about Prudential and Business C considered together.

Mr L told Prudential in February 2025 he considered the incorrect application of the MVR had been a significant cause of the delay and he couldn't get an annuity without this being clarified and properly addressed.

In late March 2025 Prudential set out their findings and loss calculations in respect of annuity payments having received information from Provider B. They said and continue to say the earliest date Mr L could have obtained his tax-free cash was 21 September 2023. Prudential consider their approach and loss calculation to be fair and do not offer anything further.

In summary Prudential say:

- £134,499.86 ought to have been transferred to Provider B on 21 September 2023 whilst what actually happened was that £148,278.99 was transferred on 15 August 2024.
- Had the funds been transferred in September 2023 Mr L would have been receiving monthly annuity payments since September 2023. Because this didn't happen Mr L missed out on 11 monthly annuity payments up to the time his annuity actually started in September 2024.
- Had the annuity been started in September 2023 Mr L would have received monthly payments of £683.75. Multiplying this sum by 11 (representing 11 missed monthly payments) leads to a calculated a loss figure of £7,521.25.
- Prudential applied 8% simple interest to reflect the missed growth and loss of use on these 11 months of payments with a sum of £488.68 to be added to the loss sum.
- Prudential paid Mr L the total sum of £8,099.93 (with tax deducted as required) in respect of loss when it came to annuity payments.

Prudential had already paid Mr L a sum of £12,312.94 to represent the loss they considered they had caused him because he had been paid his tax-free sum later than he ought to have been as set out in their letter of November 2024.

I have seen reference to Prudential having made total payments of £1,031.51 for Mr L's distress and inconvenience. This sum is contained in the Investigator's view and I have not seen any disagreement with this. I have identified £300 was paid in October 2023 and £480.51 was paid in September 2024 and £250 in November 2024. This totals £1,030.51.

Prudential also set out the following information they received from Provider B:

- Had Provider B received Mr L's funds on 21 September 2023 Mr L's annuity would have paid an annual income of £8,205 (with monthly instalments of £683.75).
- Instead Mr L's annuity which was first paid in September 2024 pays an annual sum of £8,504.04 (with monthly instalments of £711.67).

As such they say Mr L is not experiencing any ongoing loss.

Business C

I am attaching a general summary reflecting what Mr L says about Business C and what they have offered as I consider this is relevant when it comes to assessing what has gone wrong and whether compensation puts Mr L in the position he ought to now be in. It would be misleading to look at loss compensation in isolation against different businesses where there is said to be shared responsibility as this can lead to over or under compensation. Mr L is unhappy Business C sent the application to Provider B in April 2024 without having obtained and enclosed two pieces of information that he says ought to have accompanied the application. And Business C only supplied this missing information on 1 July 2024. The time involved being over 10 weeks which Mr L says is a delay entirely attributable to Business C.

As set out above, Mr L says that after 1 July 2024 and up until 15 August 2024 when his benefits were paid out there were further errors and delays. In respect of Business C Mr L is unhappy with their service and failure to expedite things given there had been delay.

Mr L estimates Business C caused at least two weeks of delays after 1 July 2024, which means Mr L concludes Business C caused at least 12 weeks of unreasonable delays in the process up until Mr L received his tax-free cash in mid-August 2024 and his annuity, which has been in payment since September 2024.

Business C apologised having investigated Mr L's complaint and acknowledged they ought to have done things differently, and that they missed opportunities to do this. They set out what they intended to do to make things right.

Business C offered compensation to redress the income they say Mr L ought to have received from his annuity if it had been set up when it ought to have been and they said they needed to pay him an additional sum to reflect the investment returns that would have otherwise and achieved by his tax-free cash.

Business C say they received Provider B's request for missing information on 26 April 2024 and consider it reasonable to conclude they ought to have done things differently to have been able to obtain the information and have supplied it by 7 May 2024. Having taken into account their standard timescales they concluded their actions had caused approximately eight weeks delay to Mr L's receipt of his annuity income. Business C do not accept they are responsible for any delay after 1 July 2024.

Overall Business C have offered Mr L £4,178.43 in total. Comprising of £1,268.64 to represent eight weeks of annuity income they say he ought to have received, lost interest on the tax-free cash element, which was said to be £2,609.79 and £300 to reflect Mr L's distress and inconvenience.

The sum for the loss of annuity income was based on the applied for quote. The sum representing lost interest on Mr L's tax-free cash was reached using the interest rate of 8% simple a year.

Business C say the initial quote Mr L accepted from Provider B in April 2024 was for an annuity at a lower rate and involving a lower income than the annuity that was obtained in August 2024.

Mr L doesn't think Business C offered enough to address the impact upon him, including their poor service and in particular the loss he says he suffered as a consequence. Mr L thinks a significant portion of their fee ought to be refunded. Business C and Mr L do not agree on the period of time to be used to calculate the loss caused to Mr L.

Investigator's view

The Investigator agreed Prudential had caused delays when it came to Mr L being able to take his pension benefits. They concluded Prudential's approach and offer to address and compensate Mr L for the impact was fair and didn't think Prudential ought to be required to do anything further.

Mr L's response

Mr L provided a detailed breakdown of what he disagreed with in the Investigator's view. He also drew my attention to additional material. I hope he will understand that I have read all that he submitted with care, but I am not summarising it in any detail here. I am not required to do so.

Mr L continues to say that he ought to have received his pension benefits on 1 July 2023. He thinks Prudential ought to pay an additional two missed monthly annuity payments with interest.

In support of this he references his submissions on:

- when the Fund first asked Prudential for information,
- he considers Prudential's use of second class post unreasonable
- it's wrong to take account of requests for quotes as it was a valuation that matters and in any event Prudential wrongly thought an MVR applied,
- Mr L couldn't get a quote without an MVR being applied until April 2024;
- The majority of the delays from 20 April 2023 were due to Prudential and not the Fund or Mr L.

Mr L says that if Prudential had provided a correct statement of his fund value by 28 April 2023, he would have been in a position to make an application for an annuity in early May.

Mr L considers this would have allowed sufficient time for Prudential to have liaised with the Fund and Business C (and presumably Provider B) to ensure benefits were paid within two months on 1 July 2023.

Mr L considers he is experiencing ongoing loss because he would have got a higher annuity if Prudential had not delayed after the Fund sent Prudential an instruction to pay out his funds on 24 July 2024.

He points to Provider B's quote of 1 July 2024 which expired on 14 August 2024. Mr L says this quote provided an annuity rate of 5.86% whilst the annuity rate of 16 August 2024 was 5.76%. Mr L thinks Prudential undertook to address this in September 2024 but didn't.

He suggests that he is losing out a consequence on around £175 income a year and that it would have cost a further £3,000 on 16 August 2024 to purchase the same ongoing annuity as the one on the 1 July 2024 quote.

Provisional decision

On 7 November 2025 I issued a provisional decision. This was to share my thinking as I didn't disagree with the ultimate outcome that had been reached by the Investigator. I indicated that based on what I had seen thus far I didn't intend to uphold Mr L's complaint. This was because I thought Prudential had offered enough to address the failures here and to ensure Mr L's financial loss was fairly and sufficiently addressed.

Prudential

Let us know Mr L had made a further complaint. This is not something I am able to consider.

Mr L

Mr L did not accept my provisional decision. He sent in comments on my decision, further submissions, information and additional material.

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've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. In deciding this complaint, I've taken account of the law and any relevant regulatory rules, guidance and good industry practice at the time.

In addition, I've also carefully thought about everything said and provided. Where the evidence is unclear I make my decision based on the balance of probabilities. Or put another way, based on what evidence I do have, together with the surrounding circumstances, I've thought about what I think is most likely to (or should) have happened.

I have seen that Mr L understands this Service is an alternative to the courts and he understands that it is a matter for him as to whether he wishes to accept the decision of an Ombudsman or whether to pursue his complaint elsewhere.

I am sure the parties appreciate it is not the role of this Service to punish a business. If it is felt that wider processes or procedures need scrutiny this would be a matter for the Regulator (the Financial Conduct Authority) and it is for Mr L if he wants to refer anything to them. I consider each case on its own facts and as such my decision is not considered to be a wider approbation of any procedure or internal training.

Mr L has provided a detailed breakdown including what he says happened and when and why he says things weren't done as they ought to have been done. He has also told me when he says delay was caused and commented on my provisional decision.

Given the relatively informal nature of this service as an alternative to the courts I am not including all of this information in my decision. I am not required to do so and indeed the contents of a decision and what I consider relevant are matters for me. However I would like to reassure all parties I have read everything that has been provided and said carefully and have taken everything into account when reaching my decision.

I have not been persuaded to change my thinking from that set out in my provisional decision, I am not upholding Mr L's complaint as Prudential have offered enough to address the failures here and to ensure Mr L's financial loss has been fairly and sufficiently addressed.

Ultimately my main focus here was whether Prudential have done enough to ensure Mr L's loss has been fairly and reasonably addressed. It is clear that things did not proceed as they ought to have done when Mr L started the process of taking benefits from his AVC arrangements. This meant that instead of receiving his tax-free cash and starting to receive his regular annuity payments in the late summer/ early autumn of 2023 this did not happen until mid-August 2024.

It is clear this was a significant and unreasonable delay. I have no doubt Mr L was unhappy, frustrated and concerned during this time. It is clear he was trying to get matters progressed and also that he was trying to clarify information. It ought not to have taken so long. Whilst it is right that Prudential identified they had not provided the service they ought to have done, this took a long time. Even in September 2024 they were planning to assess loss based on a date of 1 August 2024 for the date Mr L ought to have been able to take his benefits. It took until November 2024 for Prudential to identify Mr L ought to have been in a position to take his benefits at an earlier date and to provide the response they now rely on.

Where a business fails to do what they ought to have done I would expect them to identify any consequential loss occasioned to their customer and adopt a fair approach to ensure the customer is compensated and put in the position they ought to have been in (or as close as possible) had things not gone wrong. This cannot always be an exact science, but I would expect their approach to be fair and reasonable based on the individual circumstances. Prudential compensated Mr L for 11 annuity payments they say he ought to have received had his annuity started when they say it ought to have done on 21 September 2023. They added interest to these missed payments at 8% simple.

Prudential also compensated Mr L for the loss they say he experienced by not receiving his tax-free cash on 21 September 2023. They have done this by identifying the tax-free sum he would have received on 21 September 2023 and then used the rate of 8% simple to assess growth on this sum. They calculated a loss figure up to the date of 15 August 2024 (which was up to the date when he did receive his tax-free lump sum).

I consider both of these approaches fair and reasonable and in-line with what I would expect to see when it comes to calculating unreasonable delays when taking pension benefits.

Should Prudential have used a different date for when Mr L ought to have been in a position to take benefits when calculating loss

I have not concluded a different date ought to be used. I don't conclude Prudential need to do anything further.

When Prudential concluded Mr L ought to have been in a position to take his pension benefits on 21 September 2023, they took into account an acknowledgement that he ought not to have been told that an MVR would apply, let alone for such an extended period.

Prudential also found they ought not to have used surface mail here when they could have used email to seek and communicate information in 2023. Prudential's approach to loss ensured Mr L was put as close to the position he ought to be in had Prudential not caused delay and if Mr L had been able to take his benefits by 21 September 2023.

I have considered whether I ought to require Prudential to do anything further. Mr L says I ought to conclude that he ought to have been in a position to take his benefits by 1 July 2023.

I am not persuaded it would be reasonable to conclude he ought to have been in a position to have taken his benefits by 1 July 2023.

In reaching my thinking on this I wish to emphasise that when it comes to establishing a date when things ought to have happened, this is not an exact science. I don't consider it's necessary or appropriate for me here to reach a conclusion on the specific numbers of days for example that a particular activity ought to have taken given the extent to which it is

accepted there was unreasonable delay and inadequate service. I have taken everything into account in reaching what I consider to be fair and reasonable in the circumstances.

I appreciate Mr L believes he ought to have been provided with a fund value in April 2023 which he says would have allowed him to proceed. However having looked at what happened at the time and having also considered what I would expect to have been a reasonable timeline and in accordance with the expectations of the Regulator, I don't think 1 July 2023 is a fair date to use for when benefits ought to have been taken.

Mr L would not have been able to take his benefits before the end of April 2023 and indeed had not been seeking to do so. He was initially seeking various quotes before deciding how to take his benefits and this process of seeking quotes and considering them would reasonably take some time. Mr L was also using either an adviser or administrative service as part of this process in 2023 (not apparently Business C).

I appreciate Mr L says that if he had received a correct statement of his fund value by 28 April 2023 he would have been in a position to make an application for an annuity in early May, but based on what I have seen I don't accept that part of his submissions. I don't think it reflects what happened at the time beyond the actions of Prudential (and not attributable to their failures).

On 10 May 2023 the Fund contacted Prudential saying Mr L wanted *"to consider using part of their AVC fund to purchase an annuity... please pass their details to Business X"*. [This is an advice / administrative business that is different to Business C which Mr L ultimately used].

Quotes were issued in 17 working days which Prudential says ought to have been five working days. A further request for quotes was received by Prudential 18 working days after they issued their quotes.

There was then a delay when it came to issuing a quote with a survivor's pension due to Prudential not requesting the required information by email.

In my provisional decision I found there was likely to have been some further delay due to a crossover between various quotes being issued and also requested. Mr L does not agree and referred me to submissions provided in July 2025. Having reviewed everything provided I have not been persuaded that my description of there being some overlap or crossover was inaccurate.

Whilst it's clear all of the quotes must have been incorrect since it was not until 2024 that the issue re MVR was corrected I am not persuaded the requests for different quotes were solely attributable to the erroneous inclusion of an MVR.

I am not persuaded it can be said that all of this time can reasonably be said to be delay caused by Prudential. I think some of this time reflects a fair and reasonable time needed for requests for various quotes to be received and then produced and sent out. It also reflects a fair time for quotes to be received and considered and further quotes to be requested.

On 18 July 2023 the Fund contacted Prudential and said Mr L wanted them to pause sending out the annuity quotes that had been requested. I previously explained I was not entirely clear as to why this request was made. Mr L has let me know he received financial advice at the time which the Fund said could not be followed. Mr L does not consider this caused any delay. I am grateful for this further detail, but ultimately it does not change my thinking.

Whilst I don't preclude the possibility Mr L might have been in a position to take his benefits at least shortly prior to 21 September 2023 had Prudential not caused unreasonable delays, I don't consider the use of 21 September 2023 to be so totally unfair or unreasonable here looking at what took place at the time and importantly the loss calculation and redress exercises completed, such that I need to require Prudential to change their approach.

It's fair to conclude that Mr L ought to have been in a position to have an accurate fund value by the end of April 2023 however I think he would then have sought quotes and assistance on how he would take his benefits (as he did in 2023 and 2024). I also take into account the time apparently taken by other parties in 2023 when looking at what's reasonable.

I am not persuaded it is reasonable, necessary or appropriate here to split 2023 and 2024 into different periods. Nor do I consider it reasonable, necessary or appropriate here to identify any additional periods of delay by way of days or weeks. Prudential failed to provide the service they ought to have done and they failed to act in a timely manner and this delayed Mr L being able to take his benefits. Prudential have adopted a fair approach to addressing this.

I am satisfied that Mr L is not left in a worse off position through my approach and he is not in the position of having not been compensated for any financial loss.

Ought Prudential be considered responsible for any financial loss Mr L says he experienced due to an earlier quote lapsing in August 2024

I previously explored whether I was able to consider this part of Mr L's complaint. I hadn't seen this was something Mr L originally complained to us about in March 2025, nor that it was detailed on written complaints I had seen to Prudential.

Nor was I clear on the extent to which Prudential had responded to this aspect of Mr L's complaint. But I explained I had seen that Mr L says he did complain about delay in August 2024 and that I tended to think their responses of September 2024 and November 2024 were intended to at least in part address this part of his complaint when it came to delay later in 2024.

I went on to set out my thinking in the provisional decision. No party suggested I ought not to have provided these considerations or that I was prevented from reaching the decision I indicated.

Mr L says he is experiencing ongoing loss because he would have got a higher annuity if Prudential had not delayed after the Fund sent Prudential an instruction to pay out his funds on 24 July 2024.

Business C have said that the quote Mr L accepted in April 2024 initially was lower than quotes issued in May and August 2024 (the one that expired on 14 August and the one that Mr L says Business C accepted on behalf of Mr L).

Prudential apparently emailed the Fund on 25 July 2024, to confirm whether the policies needed to be disinvested and the Fund confirmed this was required. Mr L says there was further delay caused by Prudential at this time and that during this time Mr L called for updates.

Mr L has let me know he takes issue with my use of the phrase "*called for updates*" because he says Prudential were chased by Mr L, Business C and the Fund. My phrase did not preclude contact from other parties and I don't consider my original description to be inaccurate. I hope Mr L appreciates my decision does not need to contain every detail or

submission. The contents of a decision are a matter for me to explain the reasons for my decision, as is the assessment of material provided and what weight I give it.

On 6 August 2024 a formal complaint was made (Mr L again stresses it was made without his permission) in respect of the delay being taken to transfer funds to Provider B and it wasn't until 15 August 2024 that benefits were paid out.

In stressing this part of his complaint, after the Investigator issued their view, Mr L sent in submissions which included Mr L telling us that Provider B's quote of 1 July 2024 expired on 14 August 2024. Mr L says this quote provided an annuity rate of 5.86% whilst the annuity rate of 16 August 2024 was 5.76%. Mr L thinks Prudential undertook to address this in September 2024 but then didn't. Mr L says I am wrong about this, as Prudential did make this undertaking in September 2024. Whilst I see what was said in the September 2024 letter, the position progressed.

I note that in Prudential's letter of response to Mr L's complaint in November 2024, they indicated that what had been said in their letter of September 2024 had adopted the wrong approach when looking at loss.

In addition I am persuaded that Prudential intended to look at what annuity Mr L ought to have received in the autumn of 2023 when considering if he was experiencing any ongoing loss. As he received a higher annuity income in September 2024 than he would have done if he had taken benefits the year before that's why Prudential paid missing annuity payments up until his 2024 annuity started as his payments were higher thereafter.

Prudential addressed loss occasioned to Mr L on the basis he ought to have been in a position to take his benefits on 21 September 2023 and not 15 August 2024. I have already explained that I agree this was a fair approach. Mr L agrees to the extent that he says he ought to have received his benefits in 2023.

Mr L has also told us he considers Business C to have been at fault when it comes to delay after 1 July 2024 and then he considers they ought to share responsibility. In particular he says:

- Business C failed to tell him that Provider B had issued a quote on 1 July 2024;
- Business C didn't reply or reply promptly to contact from him chasing updates and he points to his email of 1 July 2024 asking for an update (and two subsequent chasing emails) for three weeks, well as in early August;
- Business C raised a complaint with Prudential in his name without his knowledge or permission (and Mr L believes this caused his own complaint against Prudential to be delayed and made more complex);
- On 23 August 2024 Business C purported to accept an annuity quote that was too low without speaking to Mr L and contrary to previous instructions he'd provided on not accepting such a quote.

Mr L estimates that Business C caused at least two weeks of delays after 1 July 2024, Business C do not accept they are responsible for any delay after 1 July 2024.

Business C concluded their actions prior to 1 July 2024 had caused approximately eight weeks delay to Mr L's receipt of his annuity income. Business C do not accept they are responsible for any delay after 1 July 2024. Overall Business C offered £4,178.43 in total. Comprising of £1,268.64 to represent eight weeks of annuity income they say Mr L ought to have received, and lost interest on the tax-free cash element, which was said to be £2,609.79.

As I set out above. I have looked at what's reasonable. Here I don't consider the time taken from 24 July 2024 when Prudential received the request for Mr L's tax-free cash to be paid to him and the remainder to be transferred to Provider B up until 15 August 2024 to be so unreasonable in the unique circumstances of this complaint that Prudential ought to be required to do anything additional even were they to be responsible for some limited additional delay (reasonable or unreasonable).

In reaching this thinking I have seen that on 8 July 2024 Provider B emailed Business C to confirm they had sent through a request to the Fund for the funds manually and confirming that in order to obtain the annuity quoted on 1 July 2024 the purchase price would need to be received by 14 August 2024 and the funds would need to be within 10% of the purchase price quoted. They also confirmed they'd arranged for a letter in respect of the manual transfer to be sent by recorded delivery.

On 9 July Provider B asked Business C whether the Fund address on the discharge form or the Prudential address on the application ought to be used. They also corrected their own address.

On 16 July 2024 Business C wrote to Provider B confirming the address and said that the one on the application had been wrongly completed by Mr L. On the same date Prudential wrote to the Fund confirming receipt of discharge forms from Provider B.

According to Business C's notes of 6 August 2024 on around 1 August 2024 Prudential told Business C there had been a short delay of a day or two as the task arising from the pricing request and response had not been actioned.

Prudential told Business C they had all the information needed for the transfer and had told Business C it would be actioned by 9 August 2024 and Business C told Mr L it would then take 3- 5 working days before the lump sum would arrive.

On 9 August 2024 Business C's notes say Prudential told them the transfer would be made on either that day or Monday 12 August 2024. On the 12 August 2024 Business C record that Prudential said they would make the transfer that day or call to explain.

On 13 August 2024 Business C record they spoke to Prudential and were told the transfer was not yet made and it was not clear why not. Prudential confirmed aware needed to be done by close of play on 14 August 2024. Prudential confirmed the transfer on 15 August 2024.

Mr L instructed Provider B not to proceed with the annuity initially, but matters progressed thereafter.

In Prudential's letter of November 2024 Prudential accepted there was a delay due to systems errors after 25 July 2024 in completing the claim and they acknowledged they had failed to reply to some emails from Business C and Provider B.

As such I think Prudential accept they caused some delay in July 2024 and took this into account when reaching their outcome on Mr L's complaint and reaching their proposed loss assessment.

I conclude what Prudential offered was enough here and sufficiently took account of events up to 15 August 2024. Importantly, I have not identified that Mr L has any loss that has not been reasonably addressed and compensated.

In saying this I also take into account Business C have paid Mr L compensation said to reflect eight weeks of annuity payments they say he ought to have received in 2024 and eight weeks of interest at 8% simple on his tax-free lump sum they say he lost out on. This would include the period of time where Prudential have paid annuity payments they found Mr L ought to have been receiving since 2023 and interest on a tax-free lump sum (at 8% simple) they say he ought to have had the use of since 2023. It might be suggested that Mr L has been compensated twice in respect of a specific period in 2024.

I am therefore satisfied that the sums paid in total to Mr L ensure he has not lost out. In addition the sums ensure that by having already had the benefit of at least some of the payments, even if I were persuaded he ought to have started receiving his annuity at the rate provided in the 1 July 2024 quote (which I am not), he is not experiencing ongoing loss. Additionally I don't consider any party has substantively submitted that if the delays had not occurred Mr L would have been in a position to have been receiving the 1 July 2024 quote.

Prudential say Mr L ought to have been in receipt of benefits from September 2023, and Business C have suggested that Mr L ought to have been able to access his benefits from around mid-June 2024. Mr L's primary submission is that he ought to have received his benefits in early July 2023 (if Prudential had not caused delay) or alternatively he ought to have accessed his benefits around early June 2024 if his submissions on Business C are taken into account.

I don't consider any additional sum needs to be paid to reflect Mr L's distress and inconvenience. In total Prudential have paid Mr L just over £1,030. I consider this to be fair and in line with what I would expect where there have been ongoing and repeated failures in service.

My final decision

For the reasons given I am not upholding Mr L's complaint about the Prudential Assurance Company Limited. I am satisfied that Prudential have done enough to reflect their failures and the financial loss and inconvenience and frustration Mr L experienced.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 14 January 2026.

Louise Wilson
Ombudsman