

## **The complaint**

Ms L has complained about Prudential's handling of the pension sharing order (PSO) awarded in 2013. She's said that she still hasn't received her share, despite providing the relevant documentation several times since 2014.

## **What happened**

Ms L's ex-husband had pension policies with Prudential and, as part of their divorce settlement in 2013, Ms L was awarded a 55% share of policies ending \*\*\*\*\*262 and \*\*\*\*\*943, and 100% share of policy ending \*\*\*\*\*801.

On 20 November 2017, Prudential paid out policies \*\*\*\*\*262 and \*\*\*\*\*943 to the ex-husband's new provider.

On 15 April 2023, Ms L wrote to Prudential asking it to pay out her share of the pensions, including all investment growth. She said she and her financial adviser had made numerous attempts over the years to claim her share and had provided all the relevant documentation each time.

Ms L called Prudential several times between 25 May 2023 and 14 May 2024 and it repeatedly advised her that it didn't have a PSO on file and that the policies had been paid out to the policyholder. She raised a complaint on 10 February 2024.

Prudential investigated the complaint and sent its final response on 4 April 2024, upholding it. It acknowledged that it had the PSO on file, but that this had been archived due to the length of time this had been ongoing, which was why the call handlers weren't able to see it and asked for copies. It also apologised for failing to return Ms L's calls.

It also confirmed that it had paid out the funds from two of the plans in error and was taking steps to recover them. It offered a compensation payment of £750 to Ms L for the inconvenience caused.

On 15 May 2024, Prudential sent Ms L a letter (using her ex-husband's surname) asking her to provide a letter confirming the details of the provider to which she wished to transfer. A reminder was sent on 28 June 2024.

Unhappy with the delays, Ms L referred her complaint to our service on 2 July 2024. She told us that although the issue had been ongoing since 2014, she didn't raise a complaint sooner as she wasn't aware she could make a complaint.

Prudential further investigated the complaint and sent a second response on 23 August 2024. It acknowledged that it had failed to contact Ms L as promised and that incorrect information had been provided during a call regarding the status of her complaint. It asked Ms L to provide details of her new provider to pay out the funds. Once the claim was completed, it would assess any financial losses she may have experienced due to the delays.

In September and October 2024, Ms L told our service that she'd been trying to obtain the information requested by Prudential from her new provider. But her new provider required information about the policies which only Prudential could provide, and without this information, the new provider wasn't able to provide what Prudential required. But Prudential wouldn't provide the details as these had been archived. On one occasion she was told Prudential wouldn't implement the PSO and she'd need to take her ex-husband back to court to obtain her share.

Following further correspondence from this service, in November 2024 Prudential acknowledged that Ms L had been given mixed messages and confirmed it was willing to pay out the pension fund value. It had also provided the information requested by the new provider to Mrs L and it was willing to provide any further information the new provider may require.

Having considered the matter, our investigator thought that the complaint should be upheld, saying the following in summary:

- In terms of the PSO's implementation date, Ms L said that she should have received the funds within four months of claiming it in 2014, and she'd like to be compensated for investment growth. Prudential had agreed to pay the fund value and complete a loss assessment. But it hadn't been able to provide details of its intended loss calculation, such as what time period the calculation would cover.
- A PSO was an order made by a court setting out what percentage of the value of the policy holder's pension was to be transferred to the former spouse. It's transferred either into a pension in that person's name or within their ex-partner's pension scheme. The pension provider has up to four months to implement the order from receiving all the necessary information. This four-month timeframe would only begin when the pension provider had everything it needed to implement the PSO. If there was a delay, it might be because the scheme was waiting for information from a third party who wasn't subject to a time limit, for example a lawyer, financial adviser or ex-spouse.
- In this case, the two PSOs were issued on 10 December 2013. Ms L said she first provided all the necessary documents in 2014. Since then, she and her representatives had contacted Prudential several times trying to obtain her share. On one occasion, Prudential told her to contact her ex-husband for a signature.
- But from the available evidence, the investigator couldn't see that Ms L, or a representative on her behalf, had contacted Prudential prior to 15 April 2023.
- Prudential received a copy of the PSO from the ex-husband's representative in 2014, and it was subsequently in contact with that representative, who said that they tried to contact Ms L for instructions regarding her share, but received no response from her. The case was then closed in 2016 due to a lack of instruction from Ms L. So Prudential couldn't implement the PSO at the time as it didn't have all the necessary information. Prudential had acknowledged that it had no record of trying to contact Ms L directly regarding her share, and that it made an error when transferring the full value of the policies on behalf of her ex-husband in 2017.
- The investigator agreed that Prudential had made an error in doing so. It should also have made attempts to contact Ms L directly, but it may have had limited information and may not have been able to contact Ms L. And as it couldn't be demonstrated that

it had all of the necessary documentation in 2014, it wouldn't have been able to pay out the funds.

- Therefore, Prudential's offer to make the payments in line with the original PSO and to complete a calculation to ensure Ms L hadn't lost out was reasonable.
- It wasn't possible to say how Ms L would have invested the funds had she been given her share sooner. Therefore there was no way to work out what losses she may have suffered without applying hindsight. The available information indicated that, prior to the funds being paid out in 2017, they remained invested, and the value of the policies increased. So, whilst Ms L had no access to the funds, there hadn't been an investment loss prior to this date.
- Had Prudential not made the error to pay out all the funds in 2017, it would still have had Ms L's share when she contacted it on 15 April 2023. So, to put Ms L back in the position she would be in, Prudential should first calculate the value of her share on the dates the transfers of the two policies to her ex-husband were completed. It should calculate the investment loss from that date up until the date it transferred the funds to Ms L's new provider. The investment loss should be calculated on the basis that the funds had remained invested on the same basis as they were invested prior to the transfers out on behalf of her ex-husband.
- In its final response letter, Prudential acknowledged its errors and offered £750 compensation. This was fair and reasonable to compensate for the issues that occurred leading up to that date.
- But further errors were made between April and November 2024. In its second response, Prudential acknowledged errors in providing incorrect information and failing to call Ms L back as agreed. In its emails to this service, it agreed that Ms L had been incorrectly told several times that Prudential wouldn't pay out and that she would have to take her ex-husband to court to obtain her share. And Mrs L called Prudential a number of times to obtain some information that was required by her new provider to initiate the transfer process.
- These further issues would understandably have caused additional distress to Ms L. So, as mentioned above, Prudential should pay a further £150 for the distress caused by further delays and instances of poor customer service. This was a fair compensation award and was in line with what our service would deem reasonable, given the circumstances and impact on Ms L.

Ms L acknowledged the investigator's assessment, and Prudential agreed with it.

Ms L then contacted the investigator to say the following:

- She'd opened an account with Hargreaves Lansdown to which Prudential could transfer the pension funds. The former had been in contact with Prudential, who said that it had no record of her and so she'd had to resend her marriage certificate, divorce certificate and copies of the PSO.
- Hargreaves Lansdown had requested an electronic transfer which Prudential said it didn't do, so another request was sent, to which Prudential hadn't responded. She'd spoken to someone at Prudential who said that they would escalate the payment and would call her back.

- Due to health issues, she wasn't able to work at present, and because of this her financial situation had been affected, which made the need for her pension even greater than before. Ms L said that she was seeking guidance on what she should do as it was affecting her mental health.

On 5 August 2025, the investigator contacted Prudential to ascertain the situation. She heard nothing further until a chaser from Ms L on 22 September 2025, saying that she'd still had no response from Prudential and didn't know what to do next. Ms L reiterated her health and financial situation and that she was struggling to pay bills.

Following further correspondence, in which the investigator informed both parties that the complaint would be referred to an ombudsman for review as the pension payment still hadn't been made, Prudential indicated in mid-October 2025 that the payment would be made shortly.

But on 28 October 2025, Ms L contacted the investigator to say that she still hadn't heard from Prudential or received payment of the pension funds. She said that she didn't feel that the compensation amount received from Prudential adequately reflected the amount of stress she'd been caused by the matter.

On 30 October 2025, Prudential confirmed that the pension funds had been transferred.

Ms L then contacted the investigator to say the following:

- She'd now finally received the payment from Prudential, but it had caused her considerable stress, time and money from phone calls, repeatedly having to pay for copies of the same paperwork and postage for them to be sent over the last 12 years. This, along with transferring the policies on behalf of her ex-husband, had been totally unacceptable.
- The small amount of compensation she'd received so far from Prudential didn't represent the stress and anxiety it had caused by paying out to her ex-husband in the first place and its lack of response in resolving the matter quickly and efficiently.
- Ms L said that she would therefore appreciate substantially more compensation from Prudential to go some way towards redeeming the stress it had caused.

The matter was then referred to me for review. I issued a provisional decision on the complaint on 24 November 2025, in which I said the following on the merits of the case.

*"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, I've reached broadly the same conclusions as the investigator in terms of the way in which Prudential should put matters right here, but I also have great sympathy for the position in which Ms L has been placed due to what's happened.*

*Ms L has told us about the distress that this has caused her, at a time when she's also been struggling with health issues and facing difficulties paying her bills – all of this in addition to a PSO which resulted from a divorce in the first place. The investigator issued her assessment on the matter at the beginning of January 2025. Prudential responded to say that its complaints team had advised that there would be a number of manual calculations required for the financial loss. But having then heard nothing for a further eight months, Ms L contacted this service again to chase the payment in August 2025.*

*The investigator conveyed to Prudential at the time just how distressing this was for Ms L and that she urgently needed the funds, but despite further chasers, this didn't happen until the end of October 2025 – so nearly ten months after Prudential had agreed to abide by the investigator's assessment, and nearly three months after being informed of the distress and financial hardship it was causing to Ms L.*

*These kinds of delays would quite understandably have been very distressing for Ms L and if I'm to add the other issues which she's encountered here, such as being told that Prudential had no record of her, learning that Prudential had transferred her ex-husband's policies to another provider on his behalf and that she would need to take her ex-husband back to court to recover the pension funds, along with Prudential's failure to return her phone calls and other administrative issues, I consider that Ms L will have been caused substantial frustration and distress by what's happened.*

*I think Prudential's offer of £750 goes some way to addressing this, but as with the investigator, I think this should be enhanced to reflect the circumstances here.*

*When thinking about the type of award which would be appropriate, it's useful to refer to the guidance on our website. This says that an award of over £750 and up to around £1,500 could be fair where the impact of a business's mistake has caused substantial distress, upset and worry and where the impact may have been felt over many months, sometimes over a year.*

*This isn't an exact science, but given what's happened here and the time it's taken to resolve matters, I think an award somewhere in the middle of this band would be appropriate.*

#### *Putting things right*

*My view is that, given the circumstances, The Prudential Assurance Company Limited should pay Ms L a further £400, making a total compensation payment of £1,150.*

*My assumption is that The Prudential Assurance Company Limited has clearly set out how it has determined the pension payment figure made at the end of October 2025, and that this has been calculated in line with the investigator's recommendation. However, if this isn't this case, this should be provided to Ms L."*

Ms L didn't make any further comments. Prudential did, however, seeking clarity on the award in respect of distress and inconvenience. It said that it had already made three separate payments to Ms L - £300 on 19 November, £750 on 4 April 2024, and £150 on 31 January 2025 – which brought the total compensation paid to £1,200.

It enquired as to whether it would be expected make a further payment.

I issued a further provisional decision on 9 December 2025, in which I said the following.

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*My view on the matter remains as set out in the provisional decision, but as Prudential has confirmed that it has already paid total compensation exceeding the £1,150 I said would be appropriate in the circumstances here, it doesn't need to pay more to Ms L.*

*It should, however still ensure that it has clearly set out how it has determined the pension payment figure made at the end of October 2025, and that this has been calculated in line with the investigator's recommendation."*

Ms L didn't make any further comments, and Prudential said that it accepted the decision.

### **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.

My findings remain as set out in the provisional decisions.

### **Putting things right**

The Prudential Assurance Company Limited should ensure that it has clearly set out how it has determined the pension payment figure made at the end of October 2025, and that this has been calculated in line with the investigator's recommendation.

### **My final decision**

My final decision is that The Prudential Assurance Company Limited should undertake the above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 3 February 2026.

Philip Miller  
**Ombudsman**