

complaint

Mr P has complained that The Prudential Assurance Company Limited won't tell him where his annuity fund is invested.

background

Mr P has an annuity that Prudential took over the administration of in 2015. Mr P asked for more information about the annuity and how the funds were invested, earlier this year.

Prudential responded to explain that Mr P no longer has a physical fund as such and his annuity is paid out of its pooled funds. Prudential explained because of this it couldn't pinpoint where the money had come from in any event – and it couldn't give Mr P detailed information about its investment strategy as this was commercially sensitive information.

Mr P was still unhappy with this and thinks he has a right to know where his money is invested.

Our investigator looked at the complaint but didn't think Prudential had done anything wrong.

my findings

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 won't be upholding Mr P's complaint, I'll explain why.

Mr P has already taken his benefits from the pension in question and Prudential are now responsible for paying him a fixed amount each year for the rest of his life. As he has taken his benefits and his retirement fund has been crystallised (finalised), he no longer has options with regards to how his pension is invested. Since his fund was crystallised, his pension fund essentially no longer exists and is certainly not invested on his behalf.

All Prudential does now for Mr P is pay him the agreed amount each year. Prudential has confirmed the money he receives will be paid from its pooled funds – and as it has said, even if it wanted to tell Mr P exactly where the money he receives is invested it couldn't.

I believe that the only option available to Prudential would be to give Mr P a complete breakdown of where the business' money is invested. I don't think this is a realistic option and I agree that this is market sensitive information.

I appreciate that Mr P has ethical concerns about his investment but in essence he no longer has an investment. Prudential is simply the administrator of his annuity and he agreed when he chose to take his benefits that he would be paid a fixed amount each year. The pension fund that he built up before taking his benefits was exchanged for this. So Prudential is entitled to use its money as it wishes, it's only obligation to Mr P is to pay his annuity and administer it in line with its terms and conditions.

So it follows that I do not uphold Mr P's complaint.

my final decision

I do not uphold Mr P's complaint and make no award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 16 November 2018

Simon Hollingshead
ombudsman