

## **complaint**

Mrs L complains about how The Prudential Assurance Company Limited has dealt with her pension.

## **background**

Mrs L has had a personal pension with Prudential for a number of years. Shortly before she retired in April 2016, she decided to make a £10,000 lump-sum payment into her pension. She says Prudential caused delay, and her financial adviser had to chase things up and complain before Prudential would confirm it had received the money. She complained, and says she received £100 by way of compensation from Prudential.

Mrs L was also unhappy with how her pension had performed, so she got in touch with Prudential about that as well. Prudential wrote to her in July. It accepted it had given her wrong information about what it had done with her £10,000 payment, and it sent her £50 by way of apology. It also said the performance of her pension wasn't guaranteed, so it hadn't done anything wrong there.

In the meantime, Mrs L had decided to transfer her pension to another provider. In August, Prudential said it had made the transfer, and it was sorry for the delay.

Mrs L says she and her financial adviser realised the lump sum she'd paid in hadn't been transferred with the rest of her pension. She decided to cash in the fund, but not to transfer it until her complaint had been sorted out.

One of our investigators looked into the matter. She initially thought Prudential had done enough to put things right. She also said we can't audit Mrs L's pension but that, from what she'd seen, Mrs L hadn't lost out because of what had gone wrong.

Mrs L thought the £150 compensation she'd received was nowhere near enough. She said she'd recently retired, and Prudential's delays and inefficiencies meant she couldn't plan properly and caused a good deal of stress.

The investigator made some more enquiries of Prudential and asked it to reconsider its offer. It said it accepted it had caused delay and it hadn't kept Mrs L or her financial adviser fully informed. It offered Mrs L a further £150 by way of compensation. Mrs L felt that didn't reflect the trouble she'd been put to, so her complaint has come to me for review.

## **my findings**

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

I think Prudential has made mistakes and caused confusion here, so I can see why Mrs L is so unhappy. All she initially wanted to do was pay a lump sum into her pension – which should have been quite straightforward. There were delays; as a result, that lump sum wasn't included with the rest of Mrs L's pension when it was transferred to her new provider.

However, Prudential's records satisfy me that it has backdated Mrs L's £10,000 contribution to 3 March 2016. That's a few days after the date on the cheque she sent, so I think this is a reasonable step for it to have taken in order to ensure that Mrs L hasn't lost out financially.

Mrs L is now left with one small fund with Prudential. I accept that she had originally wanted her whole pension to be transferred to her new provider. I see no obvious reason why she might have wanted to keep one small plan with Prudential. I think the only reason it stayed with Prudential is the delay in investing the £10,000 in the first place.

That said, Mrs L knew in October 2016 that this part of her pension hadn't been transferred. She said so in her first e-mail to us, as well as that she'd decided not to transfer the money to her new provider until this complaint is sorted out. So I don't think I can fairly hold Prudential responsible for any financial impact her decision might have had.

Mrs L is also unhappy with the general performance of her pension. Prudential's records satisfy me that it has sent her various projections over the years, so I think she could see how the pension was performing. Those records also say Prudential told Mrs L in July 2016 that the funds she had were heavily invested in stocks and shares, so the value of her pension was particularly sensitive to movements in the markets. As a result, her fund had increased by nearly £8,000 in around a month.

We don't audit accounts, and Mrs L hasn't provided anything that leads me to conclude she's lost out financially because of any particular mistake Prudential has made. So the only remaining matter for me to decide is how much she should fairly receive for her inconvenience and distress.

I can see that both Mrs L and her financial adviser have contacted Prudential a number of times over a period of months in order to chase matters up and get answers. I recognise that Prudential's handling of this whole matter has caused Mrs L anxiety and upset, as well as the inconvenience of having to deal with it. I've also noted what she's said about the impact this has had on her financial planning.

Nonetheless, it's not for me to fine or punish financial businesses and, having carefully considered all the circumstances, I think Prudential's overall offer of £300 compensation is a fair one.

### **my final decision**

My final decision is that The Prudential Assurance Company Limited should pay Mrs L £150, in addition to the £150 she has already received.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 4 May 2017.

Janet Millington  
**ombudsman**