

complaint

Mr C complains The Prudential Assurance Company Limited (Prudential) failed to send his tax information on time which resulted in a delay in receiving a refund due from HMRC. He wants Prudential to compensate him for the delay.

background

Mr C holds a pension policy with Prudential and last year had cause to complain about a number of administration and customer service issues he experienced.

Prudential responded to his complaint upholding some elements and overall felt a compensation payment totalling £350 fairly reflected the distress and inconvenience they had caused.

Part of Mr C's complaint concerned a delay in sending him his P60 which then delayed a tax refund he was due from HMRC. Mr C asked Prudential to compensate him by way of paying interest on the delayed tax refund.

Prudential acknowledged Mr C's P60 was sent a few days later than 31 May and was dated in April but explained the reason for this was due to P60's being dispatched in batches. They felt they had acknowledged their part in the delay and compensated Mr C within his wider complaint and the £350 redress already paid.

Mr C was unhappy with this outcome and asked this service to look into matters for him.

Our investigator looked into Mr C's concerns and could see there had been an administration error in sending out the P60 and this delayed matters by a few days. Overall he felt the redress Prudential had offered for the wider complaints was fair and reasonable. As HMRC were responsible for refunding any tax due to Mr C, he didn't feel he could reasonably ask Prudential to pay interest on an amount they weren't liable to pay and so he didn't ask them to do anything further.

Mr C was unhappy with the investigator's view and felt as Prudential had already paid interest on an earlier delayed tax payment they should compensate him for this additional delay.

Mr C asked for an ombudsman 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. Having done so, I've reached the same conclusion as the investigator and for broadly the same reasons. I'll explain why.

Mr C's complaint form specifically refers to the delay in sending his P60, which he says resulted in HMRC's late refund of a tax refund he was due. This is one element of a wider complaint about a number of administration and customer service issues.

In reaching my decision, I have looked at the particular concern Mr C has referred to this service but I have also considered the overall redress offered by Prudential in settlement of the wider issues as this element was part of the wider complaint and part of the redress offered.

Mr C has singled out this particular element as the redress he seeks is in the form of an interest payment on the delayed tax refund which he doesn't feel was adequately addressed in the final response from Prudential or formed part of the redress they offered.

There isn't a dispute here that Mr C's P60 was issued later than it should have been. A P60 should be received on or before 31 May. Mr C received his P60 from Prudential on 06 June and I can see from the Prudential systems it was sent on 03 June 2017 but dated 18 April 2017. The business explained this was due to the large volumes of P60's it sends out and so they are produced in batches but they acknowledged the delay and apologised for any inconvenience this had caused.

I can understand Mr C concluding that as the Prudential had paid interest on a previous tax error that there should be some redress here but there is a significant difference in the earlier interest payment. This was based on an overpayment Prudential made in the tax due which was subsequently refunded to them by HMRC. As Mr C had not had the benefit of these funds, Prudential calculated an interest payment. This is broadly in line with what I would expect to see.

The delay in issuing Mr C's P60 by around 3 days is an administrative error. The responsibility for refunding tax lies with HMRC and so I can't hold Prudential liable for any delay in doing so or ask them to pay interest on it. I also can't impose any fine or penalty for issuing the P60 late as such an action is outside of my remit.

I have looked to see what impact the delay in sending the P60 has had on Mr C and whilst I accept this may have been an inconvenience I must then look at the redress Prudential has already paid to establish whether a further monetary award is necessary.

I'm satisfied that the overall redress of £350 given for both this particular element and the wider concerns Mr C raised are broadly in line with what I would expect to see and I'm not going to ask Prudential to make a further award.

my final decision

For the reasons I have given I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 25 July 2018.

Wendy Steele
ombudsman