

complaint

Mr D complains The Prudential Assurance Company Limited (Prudential) unnecessarily delayed the payment of his pension, which caused him distress and inconvenience, for which he would like to be adequately compensated.

Mrs D assists Mr D in his complaint but for ease, I have referred to Mr D throughout my decision.

background

Mr D holds a section 32 pension with Prudential. In or around mid-December 2017 he instructed an IFA to obtain retirement quotes and assist him in planning how to access his pension.

Between December 2017 and April 2018 both Mr and Mrs D had to chase the IFA for information and to establish why they hadn't received the information they needed to make a decision. The IFA told them he was waiting for information from Prudential.

On 1 May 2018, Mr and Mrs C dispensed with their IFA's services and contacted Prudential directly to obtain retirement quotes.

On 14 May 2018, Mr D chased Prudential for his retirement quoted which he received in an e-mail on 18 May 2018.

On 22 May 2018, Mr and Mrs D decided to proceed with their chosen option and contacted Prudential to ask for advice from Prudential Financial Planning. He chased this up a few days later.

On 30 May 2018, Mr D called the Prudential and was told an appointment had been booked for 11.30 am on 31 May 2018 but this would need to be moved to 13.30 the same day due to a problem with staffing. Mr D was unhappy as this meant him changing his plans.

Prudential emailed the retirement quoted to Mr D on 31 May and he signed to take his pension benefits on 1 June 2018. Prudential had to make a follow up call to M D to complete some risk warning questions before processing his request.

Mr and Mrs D felt these delays were unacceptable and complained to Prudential. They reviewed what had happened. They said they couldn't agree they had made errors in relation to providing information to their IFA. But they did agree that they hadn't provided Mr D with the level of service they would have expected from 01 May. They paid Mr D £125 which consisted of £100 in recognition of the trouble and upset this had caused Mr D and £25 for the phone calls he made. They also backdated the annuity payment and applied interest for the time he had been without the pension payment.

Mr D didn't feel this reflected the trouble and upset this matter had caused Mr D and so they asked this service to look into things for them.

Our investigator looked carefully at all the information. He agreed with Prudential's findings in their final response letter. He thought they had provided timely information to Mr D's IFA but although the information they provided to Mr D after 01 May was just within their service

level agreements he could understand Mr D's frustration with the delay in receiving his pension payments. But he thought Prudential had recognised this, offered fair and reasonable compensation for the trouble, and upset caused including awarding interest on the delayed annuity payment. He didn't think Prudential needed to do anything further.

Mr D disagreed and so he asked for this 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'm in agreement with the investigators view and for broadly the same reasons. Please allow me to explain why.

I can appreciate from Mr D's point of view, he has been trying to sort his pension out since December 2017 and that seems a very long time to wait until the summer of 2018. From the information, I've seen there are two periods to consider. The first being the time Mr D instructed an IFA to deal with his pension affairs in December 2017. The second being the time from dispensing with the IFA's services in May 2018 and dealing with Prudential directly.

I've looked at the correspondence between Mr D's IFA and the Prudential. It provided any information and responded to requests in a reasonable timeframe. I can't see there were any unnecessary delays on Prudential's part. I appreciate Mr D has said the matter wasn't progressing but the available information and timeline of events suggests it did respond to all the requests from the IFA within the service level agreements. I can understand Mr D not being clear about where the responsibility for the lack of information and progress of his pension lay between December 2017 and May 2018, but I can't reasonably hold Prudential responsible for any delays there may have been in the correspondence between the IFA and Mr D.

I've then looked at the timeline of events from when Mr D decided to deal directly with the Prudential. Although the Prudential have operated within their service level agreements they are on the long side. But, Mr D's pension had features that can make things less straightforward. The regulator, the Financial Conduct Authority, sets out the standards and rules a firm must abide by. Prudential have a responsibility to ensure Mr D is fully aware of the decisions he was making and any potential implications of them. I appreciate Mr D was very unhappy with the risk warning conversation they had with Prudential. The risk warnings are also set out by the regulator and are not to dissuade Mr D from taking his benefits but designed for their protection and to ensure all potential risks have been discussed and considered.

Having looked at the information provided I'm not persuaded Prudential have acted unfairly or created unnecessary delays in Mr D taking his benefits albeit I can understand the frustration, but it's important a firm acts with due diligence and it's incumbent on it to adhere to the regulators rules for the protection of its customers.

With regard to Mr D's request for access to the pension planning service, I'm not persuaded Prudential provided the level of service Mr D should have expected, but they have recognised that. I understand Mr D doesn't feel this adequately reflects the upset he has experienced but my role is not to penalise or fine a business. If errors have been made I would look at redress to put Mr D back in the position he would have been in had the error

not occurred. On balance I think their offer of £100 for distress and inconvenience, a refund of the telephone costs Mr D incurred and backdating the annuity to 31 May with interest is fair and reasonable redress and so I'm not going to ask them to do anything further.

my final decision

For the reasons I have given I'm partially upholding this complaint and I direct Prudential Assurance Company Limited to:

- pay £100 for distress and inconvenience
- pay £25 for associated telephone costs
- backdate the annuity payment to 31st March and pay interest as indicated of £8.98 (£11.22 gross less HMRC deduction of 20% = £2.24)

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 8 March 2019.

Wendy Steele
ombudsman