

## **complaint**

Mr B complains about the way his annuity was arranged by The Prudential Assurance Company Limited and with the information made available to him at the time.

## **background**

Mr B said due to serious ill health in 2000 he felt forced to make his policy paid up even though he originally intended to the run policy until he retired. He complained that he wasn't able to get advice from the Prudential as the person who originally advised him had left. He felt he hadn't been given the option to choose an annuity freely and could've got a better deal. He now wants to take the annuity as a lump sum instead.

Prudential said that it sent an annuity quotation towards the end of 2000. It had no record of any advice requested and thought the annuity was arranged on a non-advised basis. Mr B selected a single life annuity with level income and took a tax free cash lump sum. Once this choice was made it couldn't be changed. It generally wasn't possible to cash in an annuity. It didn't think it'd done anything wrong. However it accepted that Mr B's experience wasn't very good and sent a cheque for £50 for distress and inconvenience.

The adjudicator said that she didn't think Prudential had done anything wrong. She said she'd seen an example of a document that would've been sent with his retirement annuity quote. This made clear that he could take an open market option and shop elsewhere. She thought Mr B had what was needed to allow him to enquire further. While she appreciated his frustration unfortunately he wasn't able to cash in his annuity.

Mr B didn't agree. He said that at the time major life events were happening and there was family ill health including his own health. He had struggled to get advice because the previous adviser had left and he had no other contact details. He felt the Prudential should meet him half way and either cash in the annuity or give compensation for the lack of advice.

The adjudicator responded that he was advised of his open market options and Prudential paid £50 for distress caused at the time. She thought this was fair as he still had the information about his options even though he couldn't speak to an adviser at the Prudential about it.

## **my findings**

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

Mr B says he felt forced to make his policy personal pension plan paid up due to life circumstances. I can see that by 2000 he hadn't reached retirement and he says he'd wanted to continue with the policy. The product terms I've seen suggest that contributions can be stopped for a period of time so it seems he might've been able to suspend contributions.

I can imagine that it would've been frustrating to find his original adviser had left. Mr B says he was referred to head office and then back to the local branch but didn't succeed in getting in contact with a new adviser. He said given his health he felt forced to make the policy paid up even though his original intention was to continue until he retired at 67. I accept that this wasn't great service but the Prudential wasn't required to give him advice and Mr B could've

taken advice from an independent financial adviser or referred to the policy documents had he wanted to do so.

I can see that Mr B's life circumstances were very difficult at the time he was making his decision in 2000. He'd been in hospital earlier in the year. I have reviewed the quotation document. This highlighted the possibility that a better rate might be obtained due to ill health but that wasn't something the Prudential offered. But another provider might offer a higher level of income. So I think Prudential provided Mr B with information to make him aware of this option.

I have also considered whether the Prudential highlighted his option to buy an annuity from another provider. It provided a sample document that it says would've been sent out at the time. This makes clear that Mr B had an open market option. So it seems that Mr B was provided with information to make an informed decision about this at the time. So even though he didn't have the benefit of financial advice from the Prudential or another adviser I am satisfied that Mr B was provided with the information required to highlight his choices in relation to the quote received.

I can understand that Mr B was facing very significant issues in his life. I can understand he might've felt under pressure to accept the quote before it expired. But I can't make any award against the Prudential unless I can show it has done something wrong. Based on the evidence provided I don't think I can reasonably conclude the Prudential failed to provide the information required to enable Mr B to understand his choices.

I have considered the award of £50 for distress and inconvenience surrounding poor service and think this is fair and reasonable in the circumstances.

### **my final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 11 May 2018.

Colette Bewley  
**ombudsman**