

## **complaint**

Mr S complains that The Prudential Assurance Company Limited has provided poor service in handling his mortgage endowment policy and that it's delaying payment on maturity.

## **background**

Mr S and his then wife had a mortgage endowment policy with Prudential. In 2006 he got a court order which said the policy should be assigned to him when the marital home was sold. When Mr S realised the policy wasn't performing well he complained. He accepted Prudential's offer of compensation for the poor performance in 2008 although he says he wasn't happy with it at the time.

The policy matured in April 2015, but Prudential said it couldn't pay Mr S the full amount because the policy was still in joint names. But Mr S had a court order to show it should be in his name. Prudential eventually said it could pay Mr S half the maturity amount if he signed an indemnity form. But Mr S was reluctant to do that. Unhappy with the way Prudential had handled his account, he complained. Prudential rejected his complaint. It said the issue with performance of the policy had been dealt with in an earlier complaint. In relation to payment of the maturity value, it said the court order wasn't enough so it couldn't pay him the full amount without his wife's consent. It offered £250 as compensation for the poor service it had given him and delays during the complaint.

Mr S wasn't happy with this outcome so he came to this service. Our adjudicator didn't think the complaint should be upheld. But Mr S disagreed so the complaint came to me for a decision. Because I felt the poor service had caused Mr S a lot of upset in all the circumstances, I thought Prudential should give more compensation for that and issued a provisional decision.

## **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've considered Mr S's comments in response to my provisional decision but the reasoning I set out in that decision remains unchanged.

I can see the main issue preventing Prudential from making a full payment to Mr S is that Prudential says it hasn't received a deed of assignment confirming that Mr S's former partner no longer has an interest in the policy. I understand Mr S's frustration about this. But I don't think it's unreasonable for Prudential to insist on a deed of assignment. The court order from 2006 shows what should be done but doesn't confirm it has been done. Prudential has tried to contact Mr S's former partner to get her agreement but they haven't managed to get a response. I know Mr S has spoken to the CAB about this and feels he's going round and round in circles. I can't give him advice on how to resolve this with his ex-partner but I think he does need to get independent advice on how to enforce the court order and get the deed of assignment Prudential needs to make the pay out. Mr S has asked if this service can do more to help him get the payment. While I sympathise with his situation, this is something he needs to sort out with his ex-partner and not something we can help further with at the moment.

Having looked at the correspondence and the timelines, I can see Prudential accepts that it hasn't handled Mr S's complaint very well and this is why it's offered £250 as compensation

for this. Our awards for the trouble and upset caused by a business' errors are designed to compensate the upset caused to a consumer in their individual circumstances. They aren't a penalty for the business. I've listened to Mr S's call to our adjudicator and I can hear how upsetting the delays have been to him.

The payment of the policy is clearly important to him in his current financial circumstances. The problems with payment no doubt brought up painful memories around his relationship breakdown. One of Prudential's letters in June contained a typo which indicated it 'now' had the deed of assignment when in fact it did 'not' have it. In the context, I can see how this was confusing to Mr S and the confusion took months to be cleared up. There is no way to put an accurate figure on the value of a person's upset and our awards don't tend to be large. In my view, taking all these factors into account, £500 is a more appropriate figure of compensation for the upset caused to Mr S by the errors Prudential made.

### **my final decision**

For the reasons given above, it's my final decision that this complaint is upheld in part in relation to compensation for the poor service Mr S received.

The Prudential Assurance Company Limited should pay Mr S £500 as compensation for that poor service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 25 May 2016.

Susie Alegre  
**ombudsman**