

complaint

Mr S' endowment policy with The Prudential Assurance Company Limited was forfeited in 2012 because premiums went unpaid. Mr S says he didn't cancel the direct debit, and didn't receive any notification about this as Prudential changed his address without his permission.

background

Mr S took out the policy in 1988. In June 2009 Prudential received a call from a third party saying Mr S was no longer at the address it was writing to, and she was living there instead.

Then in October 2011 the direct debit was returned unpaid, noted as "mandate cancelled". Prudential wrote to various parties to try to trace Mr S – including his bank, his last known mortgage lender and the independent financial adviser that had sold the policy.

In December 2013 Prudential received a letter of authority from a company asking it to provide details of Mr S' policy. As the address it provided for Mr S was previously unknown to Prudential it wrote to him at that address asking him to confirm the address was correct. Despite a chaser letter no reply was received.

The next contact seems to be in July 2015 when Mr S wrote to Prudential asking it to update his address from the one originally held (and known by Prudential to be out of date since at least June 2009) to the address given by the other company in 2013. He also asked for details of the maturity of the policy, as it was originally set to mature in August 2013.

Mr S and Prudential were in contact over the following months, and Prudential rejected his complaint about the change of address and forfeiture of the policy.

Our adjudicator didn't recommend the complaint be upheld. Mr S disagreed.

my findings

Before I deal with the underlying complaint about Prudential, I notice Mr S has expressed his dissatisfaction about the adjudicator. Our internal complaints process is there to help consumers who believe they've received poor service from us. I've passed Mr S' comments about this to the adjudicator's manager and he'll be in touch with Mr S about it. If he's still not happy, Mr S can escalate the service complaint. But that's an entirely separate process from an ombudsman's review of a consumer's underlying complaint against the business.

My focus, as an ombudsman, is on the subject matter of the complaint against Prudential. In reviewing it, I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr S has set out his complaint in considerable detail. I trust he won't take it as a discourtesy that I've condensed his complaint in the way I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint. Although I've read and considered the whole file I'll keep my comments to what I think is relevant. If I don't comment on any specific point it's not because I've not considered it but because I don't think I need to comment on it in order to reach the right outcome. I've also listened to Mr S' phone conversation with our adjudicator.

Mr S says Prudential was wrong to remove his previous address from the policy based just on a phone call from a third party. But that's not so. Businesses have a responsibility to protect their customers' personal information, and continuing to write to an address it'd been told was no longer current could be seen as a serious breach of that. It was Mr S' responsibility to let Prudential know about his change of address when he moved, and had he done so he would have received the notifications of the unpaid premiums.

Despite not having a current address for Mr S, Prudential still tried to trace him by contacting his bank, last known mortgage lender and financial adviser. I don't think there is anything more Prudential could have done. What it certainly shouldn't have done was to write to Mr S at an address it had been told he was no longer living at.

The key issue in considering this complaint is whether Prudential was aware of the correct address for Mr S (which was overseas) before it became impossible to reinstate the original policy benefits in November 2012. In the circumstances, I don't believe there's sufficient evidence for me to conclude Prudential was told it should be writing to Mr S at his overseas address before the policy was forfeited.

Mr S has said he didn't cancel the direct debit and asked us to contact his bank to find out how it was cancelled. But we don't need to do that to decide this complaint. Prudential hasn't said Mr S cancelled the direct debit - just it was cancelled at that end, *ie* Mr S' bank's end - this is shown by it being listed as "mandate cancelled". We can tell from that Prudential wasn't involved in the cancellation of the direct debit, or the non-payment of the premiums. How and why the mandate was cancelled - therefore - isn't relevant here as I can only look at the actions of Prudential and its clear Prudential wasn't involved.

Ultimately it was Mr S' responsibility to make sure premiums were paid. By trying to trace an up to date address for Mr S, I consider the business made reasonable efforts to contact him.

my final decision

My final decision, for the reasons I've explained, is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 31 May 2016.

Julia Chapman
ombudsman