

## **complaint**

Mr S complains he wasn't given proper advice by The Prudential Assurance Company Limited (Prudential) about the purchase of an annuity and other options for his two personal pension plans (PPPs).

## **background**

Mr S says he asked the Prudential for a meeting to discuss his options on retirement but it didn't offer one. He felt he should've been given proper advice and as a result he didn't get the best outcome. He said he could've deferred taking the annuity and taken a lump sum and considered draw down. This has meant that his financial situation was difficult.

The Prudential didn't think it had done anything wrong. It set up annuities around 2013. Mr S didn't take any financial advice at the time. Prudential provided information and would not have been able to give advice. Their records showed that information regarding options was provided. Its records showed Mr S was offered the opportunity to speak to an adviser from Prudential Financial Planning, but this was declined. Mr S could've contacted an IFA. Mr S signed to accept the annuities forms sent and there was a cooling off period when he could've cancelled. Even if he had taken advice the view at the time was that drawdown was risky and the minimum pension fund needed to be around £100,000. Given the size of Mr S's fund it seemed unlikely that the advice would've been to take drawdown. New pension freedoms weren't introduced until 2015.

The investigator thought Prudential had treated him fairly. She noted Mr S was sent retirement papers and there were a number of calls. The calls noted that Mr S intended to keep working, that he was aware of the open market option and had read the various booklets. He was offered the option to be referred for financial advice but this was declined. He then returned the option forms and opted to take 25% tax free cash and a monthly income.

The investigator was satisfied that Prudential sent a reminder at least four months before his selected retirement date and a further reminder six weeks before. The supporting papers were clear that Mr S didn't have to take the income, he could look around and he had 30 days to change his mind. The papers included a flow chart confirming he could defer taking income until he was 75 and other options such as income drawdown are mentioned. She felt the Prudential had provided the information Mr S needed to make an informed decision. The Prudential annuities staff weren't authorised to give financial advice. Based on the call note there was reasonable opportunity to speak with a financial adviser and Mr S was aware of options to defer. While it is a pity the income has affected his entitlement to benefits, Mr S was given the opportunity to speak to a financial adviser but declined.

Mr S didn't agree. He said he lived near the Prudential HQ and they should've made an effort to see him at the time. He said he specifically asked to meet with a representative at the time to discuss their options and personal circumstances. Instead there were a couple of conversations over the phone. He was told the alternative service would give the same advice. He felt that had they been able to have a meeting the advice would've been different and he would've considered either drawdown or taken the lump sum and deferred taking income via an annuity. He said he felt let down and the Prudential didn't guide him in the right direction.

## **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 need to consider whether Prudential did anything wrong. I have considered the papers Mr S was sent and internal notes made by Prudential of the various calls. Mr S needed to be provided with information to enable him to make an informed decision about his choices but Prudential wasn't required to give him advice about the best option for his specific circumstances. That would require financial advice which would need to be provided by a separate person authorised for those purposes. I have therefore considered whether I think the information provided was sufficient to make an informed choice.

I have seen the pension options selection information. This confirmed that if he didn't wish to take his benefits at the selected retirement date there were other options that would defer his selected retirement date. The key information pack also outlined the different annuity options. The acceptance forms signed by Mr S required him to confirm that the key features document and quote of retirement options had been read and that he was aware of his cancellation rights. So it seems reasonable to conclude that Mr S had read the information provided to him.

So from reviewing all the papers I think Mr S should've been clear that he didn't have to take the annuity and other options were available, including that he could defer. It is also clear he would have a right to cancel and that he could seek financial advice if he felt he wanted this.

I think Mr S was given all the information he needed to make an informed decision at the time. I appreciate that Mr S would've preferred to have had a meeting in person. But Prudential couldn't give him financial advice and wasn't obliged to. Even had he had a meeting Prudential couldn't have given him advice but merely answered questions on the information already provided, so I don't think it would've made any difference.

Had Mr S wanted advice he would've need to appoint an adviser. The call notes from the time confirm Mr S was offered the option to be referred to the financial planning service. I have also seen the guide to "your income for life". It suggests speaking to a financial adviser. So it seems that both in conversation and in the papers Mr S would've been clear he could take advice.

It isn't Prudential's fault that he declined to take up the offer to take financial advice which would've allowed him to receive advice specific to his personal circumstances. Even if he had taken financial advice it might not have made any difference because the size of his fund meant that at the time it was unlikely drawdown would've recommended.

I cannot comment on the statement that he was told that if he took advice it would reach the same conclusion. There is no record of this conversation at the time. While I don't doubt Mr S's memory it seems unlikely that the Prudential would've deterred him from taking financial advice. The notes of conversations and the papers issued are clear that this option is open to him so I think he was given enough information to consider this option at the time.

So I don't think Prudential treated Mr S unfairly and I cannot uphold this complaint.

**my final decision**

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 23 January 2020.

Colette Bewley  
**ombudsman**