

complaint

Mr and Mrs T complain that the Prudential Assurance Company Limited didn't explain that they both needed to send in identification documents before the money from their life assurance policy could be released to pay off their mortgage. They say this resulted in them having to pay additional interest of £88.27 which they would like the Prudential to refund.

background

Mr and Mrs T's life assurance policy was due to mature. They completed the paperwork for the money to be transferred to their building society to clear their mortgage. Prudential asked them to provide two documents confirming their identity and address but only Mr T sent his in. It took another two days for Mrs T to comply with the request. This meant that the funds weren't transferred until a few days later incurring interest of £88.27. Mr T said that Prudential hadn't made it clear that they both needed to send in identification so it should cover the cost of the extra interest they had to pay.

Prudential offered Mr and Mrs T £50 as a gesture of good will but Mr and Mrs T felt they should repay the full amount so they brought their complaint to us.

The adjudicator didn't think the complaint should be upheld. He said that, when Mr T phoned the Prudential, although he wasn't specifically told that Mrs T also needed to send in two forms of identification, the requirement was clearly set out in the letter Prudential sent them. He thought the offer of £50 was fair and reasonable. That view was endorsed by a second adjudicator who took over the complaint.

Mr T doesn't accept this assessment of the case. He has asked for his complaint to be reviewed by an ombudsman.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

The redemption date for the mortgage was 20 July. The policy matured on 21 July so there would always have been a slight delay in transferring the money.

Prudential says it received the completed form signed by both Mr and Mrs T, as they were joint policy holders, on 11 July.

On 17 July Prudential wrote to Mr and Mrs T. The letter was addressed to both of them and contained the following request:

"We request you to send us two items (as per options shown below) which show full name, date of birth and current address. Please send two items for both plan holders as this plan is held in joint names."

I consider this to be a clear statement of what was required. It's true that when Mr T spoke to an adviser at the Prudential the following day about the letter he wasn't specifically reminded that they would each need to send in identification. Nor was it mentioned in other calls Mr T made. Given that the policy was in both names, I think that most people would have taken for granted that the advice applied to both of them.

I don't think it was unreasonable for Prudential to expect Mr and Mrs T to read the letter carefully to make sure they understood what was needed. I am satisfied that the wording of the letter is such that, if they had done so, they would have realised that the request applied to both of them and not just Mr T. It might have been helpful for the advisers to reinforce the point that they both needed to comply with the request, but I cannot regard their failure to do so as an oversight which caused Mr and Mrs T financial loss. The information was available to them from 18 July onwards, regardless of what was said during the phone calls.

Mr T complains that Prudential shouldn't have left it to the last minute to make this request. Prudential says, and I accept, that it didn't get the form Mr and Mrs T had completed until 11 July. I agree with the adjudicator that a response within a week is not unreasonable.

In any event I am satisfied that Prudential's offer of £50, which remains open for them to accept, fairly compensates Mr and Mrs T for any upset caused by the failure of the telephone advisers to refer to Mrs T.

my final decision

For the reasons set out above I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs T to accept or reject my decision before 5 May 2015.

Melanie McDonald
ombudsman