

complaint

Mrs E, through her representative Mr E, complains about poor customer service from The Prudential Assurance Company Limited. She says she's been provided with misleading and incorrect explanations from Prudential, as well as inconsistent and poor product information.

background

Mr E queried the value of Mrs E's plan with Prudential. An explanation was sent to the wrong address, and when it did arrive some of the information was wrong. Later correspondence from Prudential included complex calculations that were difficult for Mr and Mrs E to understand.

Mr and Mrs E also considered Prudential's product information wasn't as clear as it could've been.

Prudential accepted its service could've been better, and sent Mrs E £150 compensation. Our adjudicator considered this should be increased to £200.

Prudential didn't agree with the additional compensation suggested by the adjudicator.

Mr and Mrs E didn't agree either. They said they'd had to go to considerable trouble to understand how Prudential values the plan, and that it still hadn't been able to explain satisfactorily some of the historical valuations. Mr and Mrs E considered Prudential should pay £480 in addition to the £150 it had already paid.

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 can see that Mr E has had to make a considerable effort to understand exactly how the plan works.

Mrs E invested around £160,000 with Prudential, so I don't think it was unreasonable for Mr and Mrs E to expect the business to be able to explain its fundamental features. In the circumstances, I can appreciate why Mr E was disappointed with the responses he got from Prudential.

Some of the information Prudential used was factually incorrect, and its actuarial team admitted that some of its explanations were misleading. So I can see why Mr E lost confidence in Prudential's ability to explain the plan, and that this will have caused him and Mrs E some distress.

I'm inclined to agree that £200 isn't enough compensation for the trouble that Mr and Mrs E have been put to. It's taken a lot of effort on their part to get a proper understanding of how the plan works. But the amount they are seeking is more than this service would usually award for complaints of a similar nature.

I consider it would be fair and reasonable for Prudential to pay £350 in total to Mrs E in settlement of her complaint.

my final decision

My decision is that The Prudential Assurance Company Limited should pay £200 to Mrs E, in addition to the £150 it has already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E, on behalf of Mrs E, to accept or reject my decision before 9 March 2016.

Caroline Stirling
ombudsman