

complaint

Miss B and Mr K complain about The Prudential Assurance Company Limited (“Prudential”). They’re unhappy with how Prudential settled their late father’s Income Drawdown plans and the service provided during this process.

background

Miss B’s father provided Prudential with instructions in November 2005 about how he wanted the proceeds of his plans to be distributed when he passed away. Prudential logged these instructions on its system.

Almost five years later, Prudential received a change of beneficiary request from Miss B’s father. Prudential responded and confirmed that changes had been made to its records to reflect this latest request.

Sadly in June 2016 Miss B’s father passed away.

Prudential wrote to Miss B and confirmed the total sum payable under her late father’s plans. It asked Miss B to provide information so a decision could be made about paying what she was entitled to from the proceeds of the plans. Prudential also outlined other beneficiaries under the plans and the percentages they were entitled to.

Miss B responded to Prudential’s request and in September 2016 Prudential wrote to her thanking her for returning the information it had asked her for. It acknowledged Miss B had concerns about the authenticity of the beneficiary list it held for her late father’s plans. But explained it was still waiting for information from other potential beneficiaries, and once this was received, it would take her concerns forward.

Further correspondence ensued. On 3 July 2017 Miss B emailed Prudential and asked for all documentation relating to her late father’s plans, including named beneficiaries and their entitlement to be sent to her. She also asked a number of questions around the process of changing beneficiaries and Prudential’s investigation into the authenticity of the beneficiary list.

Prudential responded and confirmed it hadn’t referred Miss B’s late father’s beneficiary nomination list to a hand writing specialist as she’d asked. It also explained that as Miss B was a potential beneficiary but not a policyholder she was only entitled to certain information about her late father’s plans.

On 18 July 2017 Prudential wrote to Miss B and confirmed that it had arranged for £4,186.89 to be paid as part of her entitlement under her late father’s plans. It apologised for previously stating that Miss B’s entitlement would be £6,463.55.

Miss B emailed Prudential on 19 July 2017 and complained about how Prudential had treated her and her family. She asked again for Prudential to tell her who had benefited from her late father’s plans and what percentages they’d received.

Prudential responded to Miss B and said:

- when someone passed away and a claim had to be paid this took time because consideration had to be given to potential beneficiaries and information had to be gathered before proceeding
- it acknowledged Miss B's concerns about beneficiaries listed under her late father's plan but said that having reviewed the matter it had no such concerns
- it noted the information Miss B had requested and the questions she'd asked but as explained previously it wasn't able to provide any information beyond her entitled under the plans
- an error had been made when it had provided the names of other beneficiaries and percentage amounts previously
- it was sorry it had incorrectly quoted the amount Miss B was entitled to and for this it arranged for £300 to be sent to Miss B for distress and inconvenience caused

Unhappy with Prudential's response, Miss B referred her complaint to this service.

Our investigator considered the matter and said:

- Prudential wasn't obliged to provide Miss B with all of the information she'd requested
- Prudential's offer of £300 for the error it had made was fair

Miss B disagreed with our investigator so the matter has been passed to me for a 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'm sorry to say that based on what I've seen, and despite my sympathy for Miss B and her family, I don't think this complaint can be upheld. I'll explain why below.

I can understand all this has been very upsetting for Miss B. She's no doubt very disappointed and concerned about the fact that the proceeds of her late father's plans haven't been distributed as she (and some members of her family) expected. And dealing with the matter during what's been a very difficult time for her will have been very stressful.

But I can only uphold this complaint if I think Prudential has done something wrong. From what I've seen I don't think it has.

It's clear to me that Miss B has genuine concerns about the authenticity of the beneficiary list Prudential used to settle her late father's plans. She made Prudential aware of these reservations. And I know she's not happy with how Prudential have dealt with them. But Prudential has discretion to decide how Miss B's late father's plans should be distributed in the circumstances. So I have to decide whether it exercised that discretion in an unreasonable manner. Having carefully reviewed the matter I don't think Prudential's decision to settle Miss B's late father's plans based on what it held on record as his latest instruction was unreasonable. While I recognize that Miss B feels strongly that there were things Prudential should've done to determine the authenticity of her late father's beneficiary nomination form, I can't say that Prudential did anything wrong because ultimately it didn't share the same concerns Miss B did.

Miss B has said she isn't happy with how much time it has taken Prudential to deal with the process of settling her late father's plans. I can appreciate Miss B's frustration about how

long the process has taken. But I haven't seen anything to suggest that Prudential has unnecessarily delayed matters or that the time taken could've easily been avoided. It's fairly typical practice for the process of settling payments to beneficiaries under plans to take some time. Especially where there is more than one beneficiary and certain requirements must be met to ensure payments are made to the right individual. In this case a total of ten beneficiaries were listed under Miss B's late father's policy. Unfortunately it took a considerable of time for Prudential to get everything it required from everyone involved before it could process and complete the settlement. But I can't see that this was avoidable. Having reviewed Prudential's records, I can see that it was proactively chasing a number of beneficiaries repeatedly so it could move things along. I wouldn't have expected Prudential to do more in the circumstances.

I can see that Miss B feels Prudential has been unhelpful and wrongly withheld information from her. But I haven't seen anything to suggest this is the case. I can understand Miss B feels strongly about this matter and would like documentation from Prudential and questions answered to help her establish what has happened. But as has already been explained as Miss B isn't the plan holder, she is only privy to certain information, namely her entitlement under her late father's plans. From what I've seen, Prudential has explained to Miss B what it requires from Miss B if she'd like further information about the plans and listed beneficiaries.

On one occasion Prudential disclosed information to Miss B about beneficiaries and entitlements when it shouldn't have. This wasn't helpful. Prudential gave Miss B the impression that this same information would be made available to her when she asked for it later in the process. Understandably it would've been disappointing when Miss B was made aware that this wasn't the case. I'm pleased to see Prudential has apologised for this error.

There's no dispute about the fact Prudential incorrectly quoted the amount Miss B was entitled to under her late father's plan. Miss B would've been unhappy and no doubt frustrated when she was made aware of this mistake. Prudential unfairly raised Miss B's expectations as a result of its error. In view of this it apologised and sent Miss B a cheque for £300. While I appreciate Miss B feels more compensation is due for what happened, I'm unable to agree. I think the amount offered fairly reflects any inconvenience and upset Prudential's mistake may have caused Miss B.

I understand that this is a difficult and emotive issue. But for the reasons outlined above, I don't think I'm in a position to say that Prudential has acted unreasonably. So in all the circumstances, I'm not persuaded that it would be appropriate for me to make an additional award.

my final decision

I don't uphold this complaint and I don't make any award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B and Mr K to accept or reject my decision before 12 February 2018.

Chillel Williams
ombudsman