

## **complaint**

Mr D's complaint concerns the delay in transferring his pension fund to The Prudential Assurance Company Limited ('Prudential') for an annuity purchase. Mr D has said that the value of his pension fund fell as a result of the delay.

## **background**

Mr D held a pension fund with another provider and in early 2013 appointed a financial adviser to arrange an annuity with this fund. The financial adviser selected Prudential as the annuity provider.

There is no dispute that the process involved delays – Mr D signed the annuity application form on 16 April 2013 and Prudential received the funds on 15 June 2013 from the other provider.

The reason for the delay was that the Lifetime Allowance form was not received by Prudential in a timely fashion. This form was required by Prudential before it could complete the purchase of the annuity for Mr D. The form was to be completed by either Mr D or his financial adviser and returned directly to the other provider whose responsibility was to then forward it to Prudential.

The other provider issued the Lifetime Allowance form to Mr D's financial adviser on 30 April 2013. Prudential has provided details of the telephone calls it made to the other provider chasing this form which then prompted the other provider to chase the financial adviser who in turn said the form sent on 30 April to him by the other provider had not been received by him.

The completed form was eventually received by the other provider on 5 June 2013. The other provider has made an offer of compensation to Mr D for the fall in the fund value between 5 June and 14 June 2013. The other provider accepted that there was an unreasonable delay between receiving the Lifetime Allowance form on 5 June and transferring Mr D's funds to Prudential on the 15 June. However, I understand that Mr D has not to date accepted this offer.

Mr D complained to Prudential about the delay in transferring the funds. He said that it was only after he contacted Prudential that he was made aware that the Lifetime Allowance form was outstanding; Mr D added that he was unhappy that Prudential did not make any effort to contact him directly.

Prudential rejected the complaint saying that it had done nothing wrong and had made every attempt to obtain the form. As Mr D remained dissatisfied with this reply, he asked this service for an independent review of his complaint.

One of our adjudicators investigated the complaint and wrote to Mr D explaining why he thought the case should not be upheld. He said that the completion of the form and its subsequent delivery to Prudential was the responsibility of Mr D's adviser and the other provider. Even though not their responsibility, the adjudicator noted that Prudential made several attempts to contact Mr D's financial adviser and the other provider chasing the return of the form.

Mr D did not agree with the adjudicator. He said he was unhappy that Prudential did not contact him directly for the outstanding form. The adjudicator responded and reiterated that Mr D's financial adviser was acting on his behalf and therefore there was no reason for Prudential to contact Mr D directly.

Mr D disagreed and asked for his case to be considered 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. Having done so, I have come to the same conclusions as the adjudicator and for the same reasons.

Completion of a Lifetime Allowance form is required by Her Majesty's Revenue and Customs ('HMRC') when someone wishes to encash their pension fund in order to make an annuity purchase as in Mr D's case. The purpose of the form is to establish whether encashing the fund results in the Lifetime Allowance being exceeded. If that is the case, the scheme administrator is responsible for reporting the matter to HMRC who would issue a tax charge on the excess.

The scheme administrator is responsible for the completion of the form; in this case, the scheme administrator was the other provider and not Prudential. The other provider was not permitted to transfer the funds to Prudential until it was satisfied that the Lifetime Allowance had not been exceeded and therefore no report to HMRC was necessary or tax charge applicable.

In my opinion, the evidence provided shows that Prudential made several attempts to chase the form despite the responsibility for its completion and delivery to Prudential resting primarily with Mr D, his financial adviser and the other provider. I consider that Prudential was simply trying to be helpful and ensure that the annuity for Mr D was set up without undue delay.

Mr D has said that Prudential should have contacted him directly. However, I agree with the adjudicator that as Mr D had appointed a financial adviser to act for him, Prudential was required to communicate with Mr D through his financial adviser; Prudential were under no obligation to contact Mr D directly.

Mr D has said that Prudential only chased the other provider and his financial adviser because of his call to Prudential; however, Mr D has not provided me with persuasive evidence to support this assertion. In any event, I do not consider it was incumbent on Prudential to ensure that the other provider, Mr D and his financial adviser were dealing with the administration of the Lifetime Allowance form promptly.

I appreciate that Mr D is disappointed that his fund fell in value because of the delay in purchasing his annuity but having considered the evidence, I am not persuaded it would be fair or reasonable to hold Prudential to account for the delay.

### **my final decision**

I do not uphold this complaint.

Terry Connor  
**ombudsman**