

complaint

Mr S complains that The Prudential Assurance Company Limited took too long to provide the right information to his adviser, and this delayed the transfer of his pension funds. As a result he lost out on investment growth in the pension he was transferring to.

background

Mr S had two pensions with Prudential. From March to July last year his financial adviser was in touch regularly with Prudential about different quotes and illustrations for his pensions.

On 15 July Mr S requested a transfer of his pensions. Prudential asked for some specific information from Mr S before releasing the funds. Once it had this, it released funds from his first pension on 3 August and from his second pension on 8 August.

Mr S was unhappy with the length of time the whole process took. He said he'd missed out on investment growth with his new pension provider because Prudential had taken a long time.

I sent Mr S and Prudential a provisional decision on 6 April 2017 to explain why I didn't think Mr S's complaint should succeed. And I said I'd consider anything anyone wanted to give me- as long as I received it by 8 May 2017.

Prudential responded and agreed with my provisional decision. Mr S responded disagreeing – he still felt Prudential was responsible for the delay but he didn't have anything further to add. Having considered the matter again I still don't think I should uphold Mr S's complaint. I've explained my reasoning again below.

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've looked at the correspondence between Mr S's financial adviser and Prudential to understand what's happened.

In March 2016 Mr S's financial advisor wrote to Prudential to ask for some information and illustrations of his pensions. Prudential responded a week later with the information.

About three weeks after this the financial adviser contacted Prudential again and asked for quotations based on a different basis to the ones which had originally been requested. These were issued by Prudential two days later.

In May there was some further communication between Mr S's financial advisor and Prudential about different quotations, including a request for projected quotations to the age of 70.

Later in June the financial adviser requested some further quotes and information about policy charges, which was more specific than the summary of charges it had provided earlier. Prudential has said that it had to refer this to its technical consultant, who replied roughly two weeks later.

On 15 July Prudential received a request to transfer both of Mr S's pensions. Five days later it wrote to the financial adviser and Mr S requesting forms of ID and completion of an Appropriate Advice Declaration (AAD).

Prudential received the ID and AAD nine days later. It arranged for the release of the funds and a cheque for the first policy was sent on 3 August. The second policy took a little longer because of the amount of money involved - a cheque for this policy was sent on 8 August.

I think Prudential is entitled to use its commercial judgement in deciding if further checks are needed due to the size of the transfer. The implications of calculating a transfer of this size incorrectly are significant. So I don't think the further delay was unreasonable here.

I appreciate Mr S thinks that Prudential took a long time to provide information. But from what I've seen it always got back to Mr S's financial adviser in a reasonable amount of time. And where it couldn't provide quotes, it explained why.

It wasn't until mid-July that Mr S's adviser requested a transfer of his funds. And Prudential acted quickly in asking for ID and the completion of the AAD. I think it was reasonable for Prudential to wait until this point to ask for this information because before then it wasn't clear if Mr S was definitely going to transfer his pension funds.

I'm aware Mr S has suggested that this declaration wasn't required or could've been sent directly to his adviser. But I don't agree. Prudential is legally required to check that Mr S has received advice because there are guarantees worth more than £30,000 in his pension plans. It must do this in response to the transfer request. And to comply with this requirement it has to write to Mr S directly, even though Mr S then needs to get his adviser to sign the declaration.

Once Prudential received the information it needed, it sent the first cheque to Mr S within two working days. And the second within six working days.

Overall, I think Prudential acted reasonably by waiting for the transfer request before asking for ID and the AAD. And I don't think it caused any unnecessary delays. So I don't think it's responsible for the loss Mr S has told us about.

my final decision

For the reasons I've explained above 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 June 2017.

Rachel Killian
ombudsman