

complaint

Ms I complains that The Prudential Assurance Company Limited (Prudential) didn't pay her pension lump sum or set up her annuity income as quickly as it should have.

background

Ms I's pension was due to be taken on 7 November 2016. A few months earlier, Ms I's financial adviser (which I'll call 'A') wrote to Prudential asking for details of what her pension would be worth.

A didn't receive the quotes and rang Prudential to ask for them to be sent again, along with relevant paperwork to allow Ms I to select her benefits. It later transpired that A didn't have the necessary authority to make changes to Ms I's pension. So this authority had to be granted before Prudential could provide the figures and paperwork.

The result of this was Ms I's pensions not being processed by Prudential until after her retirement date. She complained about the delay. She said Prudential should have made A aware earlier that it needed a different type of authority.

Prudential acknowledged it had caused some delays and offered to pay Ms I £200. And it said it would ensure she wasn't financially disadvantaged when it came for her benefits to be paid.

Our investigator looked into the matter and thought Prudential needed to do more. She said it should compensate Ms I for the time she'd been without her funds since her retirement date. And she thought Prudential should pay £250 for the trouble Ms I had been caused.

I issued a provisional decision about the complaint, saying I thought Prudential's offer to compensate Ms I for the delay in getting her pension was fair.

In summary I said Ms I's pension had been paid later than it would have if everything had gone smoothly. But that Prudential wasn't responsible for all the delays.

It wasn't Prudential's responsibility to tell A what sort of authority it needed. But by the time of the phone call between Prudential and A in October, it was clear Ms I wanted to take her pension. And Prudential knew A didn't have the authority to make that request. It could have made it clear to A at this point what it needed to do. Once Prudential had received the forms it needed, it also took around three weeks to set things up and send the relevant paperwork to A and Ms I.

Prudential has offered to pay Ms I 8% simple interest on the amount of her cash lump sum from 17 November (when it says it could have paid it without the delays it caused) and the date it was ultimately paid in December. It's offered to pay 8% simple interest on the first annuity payment from when it was due to be paid (1 December) to 16 December. In my provisional decision I said I thought the dates of payment suggested by Prudential were reasonable assuming it had acted in a timely manner and it takes responsibility for its part in the delays. And it's already paid Ms I £200 for the trouble she's been caused.

Taking everything into account, I thought this offer represented a fair and reasonable outcome to this complaint. Ms I's pension benefits ended up being paid a few weeks later than they were due to be. But Prudential's offer largely compensates Ms I for that. And I

thought that was fair when considering the extent to which Prudential was responsible for the delays. I thought the delay in receiving her pension will have been upsetting for Ms I. But I'd not seen anything to suggest the delay in receiving the payments has materially affected her financial situation or standard of living. I considered £200 to be fair compensation for the trouble Ms I's been caused.

Both Prudential and Ms I accepted my provisional decision.

my findings

I've considered all the available evidence and arguments again to decide what's fair and reasonable in the circumstances of this complaint.

As both parties agreed with my provisional decision, and have provided no new evidence, I see no reason to depart from my provisional findings.

my final decision

For the reasons I've given above and in my provisional decision, my final decision is that I don't uphold this complaint. I simply leave it to Ms I to decide whether or not to accept The Prudential Assurance Company Limited's offer of compensation set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms I to accept or reject my decision before 2 May 2017.

Luke Gordon
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