complaint

Mr and Mrs B's complaint about The Prudential Assurance Company Limited concerns the way the maturity of their policy was handled. The money was not available to them on the actual maturity date and they do not believe Prudential's process is fit for purpose.

background

Mr and Mrs B's policy matured on 17 July 2012. Prudential says it sent a cheque to their bank on 16 July so the money was available to be credited to their account on the maturity date. I understand Prudential previously mistakenly told Mr and Mrs B during a telephone conversation the cheque was sent on 18 July and it offered them £50 compensation in recognition of that error. Mr and Mrs B have confirmed the money was not actually credited to their account or available for use until 27 July.

Our adjudicator did not recommend the complaint should be upheld, commenting that Prudential processed the maturity in line with the procedures it had previously explained to Mr and Mrs B, that is by issuing a cheque the day before the maturity date.

Mr and Mrs B disagreed, maintaining Prudential's process is not fit for purpose and saying the delay caused them to miss out on the purchase of a car that caused them a substantial loss. They also say that they previously declined a larger amount of compensation offered by Prudential during a telephone call.

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 agree with the adjudicator's conclusions for much the same reasons.

Before going any further, I should explain the ombudsman service is not the industry regulator and we have no power to require Prudential or any other business to amend its procedures.

With regard to Mr and Mrs B's particular circumstances, Prudential's procedure meant a cheque should have been available to their bank for processing on the maturity date. Prudential has rightly said it could not control what happened to that cheque after it was sent. While I understand this procedure meant the money would never actually be available for use on the maturity date, I do not believe the process followed was particularly unreasonable. And it is exactly what Prudential said would happen in the maturity payment form Mr and Mrs B signed at the end of June 2012.

Since the timescale for making payment was explained in the payment form, Mr and Mrs B should have known their money would not be available for use on the maturity date and could presumably have taken this into account when making any purchasing arrangements that were dependent on that money. In any event, Mr and Mrs B have not provided any evidence to substantiate the loss they say they incurred and I do not believe it would be appropriate for me to award additional compensation in these circumstances.

If I were persuaded Prudential had not administered the maturity appropriately, any compensation would be based on a payment of interest for the period of delay. And by my

calculations, that would be less than the £50 compensation Mr and Mrs B have already been offered in any event.

I note Mr and Mrs B say they were offered a higher amount of compensation over the telephone that they declined at the time. But they are unable to provide any evidence of this. Neither has Prudential referred to any such offer in its correspondence with us.

my final decision

My final decision is that I do not uphold this complaint and I make no award. I am satisfied Prudential has already made an offer of compensation that is fair and reasonable and Mr and Mrs B should decide whether they are now willing to accept this. If they have not cashed the cheque Prudential said was sent or have not received it, it should issue a replacement if Mr and Mrs B ask it to do so.

Jim Biles
ombudsman