complaint

Mr T complains that as he cashed in part of his pension with The Prudential Assurance Company Limited in 1996, he should be paid the remaining part.

background

Mr T says that he only cashed in part of his Prudential pension in 1996. He says he got £958.92 from a fund of £11,766 and gets an ongoing monthly pension. Prudential says that in 1996, Mr T transferred all his money from his Prudential pension taking a cash sum of £2,941.57 and an annuity of £782.40 each year.

Our investigator didn't recommend that this complaint should be upheld as she believed that Prudential had complied with Mr T's instructions in 1996. Mr T disagrees and asked for a review.

my findings

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

Mr T now suffers from ill-health and wants to cash in his pensions. Mr T says he has been able to cash in another pension and wants to do the same with his Prudential pension. But it does seem that Mr T has been enjoying the benefit of his Prudential pension since 1996.

I appreciate that Mr T may not have a clear recollection of what happened at that time. But I have seen a number of forms signed by Mr T in 1996.The effect of these forms was to transfer the value of Mr T's then pension of £11,766.67 to a Prudential Personal Pension Scheme from which Mr T could then take the benefits. The £11,766.67 was composed of two policies with values then of £10,807.75 and £968.92.

I see that those benefits could be taken in a number of ways but Mr T chose to take a cash sum of £2,941.67 then and an annual sum of £782.40 - called an annuity - which he gets monthly. Mr T doesn't recollect getting the cash sum but Prudential has provided us with evidence that a cheque for that sum was in fact sent to Mr T at that time. Mr T continues to be paid his monthly payment which is in line with what Mr T requested when he completed his form.

Mr T, because of his immediate needs, would now like this annuity paid to him as a lump sum. Prudential says that it complied with Mr T's original request in 1996 as to how the benefits were to be paid and that it's not possible to cash in the annuity.

The evidence suggests that Mr T made a choice in 1996 about how he wanted to take his pension. He decided to take it partly in a lump sum and partly an annuity. Mr T has had the benefit of this annuity for over 20 years. Prudential is under no obligation to cash in the annuity and I can't fairly require it to do so. For the above reasons I don't uphold this complaint.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr T to accept or reject my decision before 6 April 2018.

Gerard McManus
ombudsman