

complaint

Mr S complains that The Prudential Assurance Company Limited (“Prudential”) did not offer him an enhanced annuity when he took his retirement benefits. He wants Prudential to pay him compensation.

background

Mr S had a stakeholder pension with Prudential.

Prudential wrote to Mr S in December 2010 as he approached his selected retirement date. It explained the options open to him at retirement. Mr S then requested a quotation for an annuity in January 2011. And Prudential sent him a retirement pack, which included a medical questionnaire. But Mr S sent back the application for an annuity without completing the medical questionnaire. Prudential offered him an annuity on standard terms, and Mr S took out the annuity on that basis.

Mr S took a second set of benefits in May 2011. Again, the annuity was on standard terms.

In 2014, Mr S complained to Prudential that his annuities were mis-sold. He said the annuities were not the right type for him as he had always had poor health. He said Prudential should have offered him an enhanced annuity.

The adjudicator did not recommend that Mr S’s complaint should be upheld. She said:

- Prudential had not provided Mr S with any advice. It had given him information, which said that if he felt he might be entitled to an enhanced annuity he should speak to a financial adviser or contact Prudential;
- Prudential had sent Mr S a medical questionnaire. But Mr S had chosen not to complete the questionnaire;
- she did not agree with Mr S that Prudential should have called him;
- it would not be feasible for Prudential to check whether all consumers spoke good English; and
- Mr S could have cancelled the annuity during the cooling off period. After this period it is not possible to surrender the annuity.

Mr S does not agree with the adjudicator’s conclusions. He has asked for his complaint to be considered by an ombudsman. He says in summary that:

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- He did not understand all the documents sent to him, as they were complicated and he does not read English well;
- He had not understood the significance of the medical questionnaire; and
- Prudential should have asked why he had not returned the medical questionnaire, and should have asked him directly if he had any health problems.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I have considered everything that Mr S has to say very carefully. But, having done so, I find that I have come to the same conclusions as the adjudicator, and for much the same reasons.

Prudential did not provide Mr S with advice on the sale of the annuities. So I do not agree that Prudential should have telephoned him to ask why he had not returned the medical questionnaire. And I do not agree that Prudential should have asked him directly whether he had any medical conditions. Prudential was only required to provide Mr S with clear information about the options available to him. And I am satisfied that it did so. The information given to Mr S made it clear that an enhanced annuity might be available in certain circumstances.

I appreciate that Mr S found the documents sent to him to be complicated. And I note that he says that he cannot read English well. But I do not find it fair and reasonable to expect Prudential to have known this. I consider that the onus was on Mr S to ensure that he understood the documents sent to him. And I agree with the adjudicator that Mr S should have spoken to Prudential to clarify anything that was not clear.

So, although I sympathise with Mr S, I do not find it fair and reasonable to require Prudential to do anything further.

my final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr S to accept or reject my decision before 21 September 2015.

Alison Cribbs
ombudsman