Financial Ombudsman Service

complaint

The late Mrs B's husband has complained about The Prudential Assurance Company Limited (Prudential). Mr B says his wife didn't receive enough information when transferring her pensions and that she would have wanted Mr B to continue receiving payments after her death.

background

The late Mrs B had two pension policies with Prudential. She had been advised by an independent financial adviser (IFA) before transferring to Prudential. Mrs B had opted to take her pensions as annuities.

Mrs B passed away in 2010. Mr B started to receive an income from one of Mrs B's annuities but not the other. Mr B says that he should be receiving an income from both.

An adjudicator looked into Mr B's complaint and didn't think Prudential had done anything wrong. He found that Prudential hadn't given any advice to Mrs B and had correctly paid the benefits due from the two annuities.

Mr B disagreed with the investigator as he felt that Prudential should have checked whether Mrs B wanted Mr B to receive an income from both annuities after her death.

And so the case has been passed to me for a decision.

my findings

I've considered all the evidence and arguments in order to decide what is fair and reasonable in the circumstances of this complaint. Having done so, I don't think Mr B's complaint should be upheld. I'll explain why.

Firstly, I think it might be helpful to explain the types of annuities that Mrs B had. She had two different annuities – an own life annuity and a protected rights annuity.

The own life annuity was for Mrs B for her lifetime and for a guaranteed period of 5 years. It would be paid for a minimum period of 5 years, if Mrs B died within 5 years of taking her benefits. But after this, no further payments would be due.

The protected rights annuity provided for 50% of the annuity to be paid to Mr B after Mrs B's death. After Mrs B's death, Mr B did receive an income from this annuity.

I agree with the adjudicator that Prudential can't be held responsible for the advice Mrs B's IFA gave to her. Both annuities clearly show whether they would continue after Mrs B's death or not and Prudential has paid what it should have done in line with the types of annuities Mrs B held. Mr B receives an income from the protected rights annuity but not from the own life annuity. But this is correct based on the types of annuities Mrs B had.

I can understand why Mr B will be unhappy and disappointed with this but I can only hold Prudential responsible for what they've done. Just because Mr B receives an income from one of his wife's annuities, doesn't mean he would necessarily be entitled to receive an income from any other annuity. It would all depend on the type of annuity taken out as explained above.

I note Mr B feels Prudential should have checked whether Mrs B was happy with the different annuities but this isn't Prudential's role and it would be expected to question the advice Mrs B's IFA gave to her.

my final decision

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 12 April 2018.

Shamaila Hussain
ombudsman