

The complaint

Mrs W complains that Phoenix Life Limited (Phoenix) caused unnecessary delays to the payment of her two pension plans. She also feels she received poor customer service.

Phoenix upheld the complaint. It agreed to put right any financial loss caused by the unnecessary delays. And initially paid £200 for the distress and inconvenience it'd caused Mrs W. It also paid her £50 to cover the cost of the phone calls she'd had to make.

After Mrs W brought her complaint to this service, Phoenix offered a further £150 compensation for the distress and inconvenience it'd caused Mrs W. She doesn't consider this is sufficient for the level of distress and inconvenience.

What happened

Mrs W had two pensions with Phoenix.

Mrs W said she received a letter - dated 1 October 2021 - which indicated that she might be a customer of Phoenix on 24 January 2022. So she called it on 25 January 2022. She said that Phoenix's letter had told her that all she needed to do was to get in touch with it to confirm her details. She said she only had Phoenix's reference number to quote on her first call. And that she'd only quoted this on the call, but Phoenix had hung up after telling her she hadn't passed its security checks. Mrs W said she didn't know what security checks were required. And Phoenix hadn't told her.

Mrs W then completed and posted a personal details form that'd been sent with Phoenix's letter. She said she included a photocopy of her marriage certificate, which proved her name change.

Phoenix said it received the completed personal details form on 9 February 2022. It said that as Mrs W was living overseas, it wrote to her on 16 February 2022 to ask her for sight of the original marriage certificate. It said an incorrect email address was provided to Mrs W at this point. This letter also explained that when Mrs W sent this information using the email provided, she should quote her customer number, which was based on her National Insurance (NI) number.

Mrs W said that every time she tried to send her marriage certificate to the email address she'd been told to use, it came back as undeliverable.

Phoenix said it wrote to Mrs W on 21 February 2022 to chase her for the marriage certificate. And when it didn't receive a reply, it said it sent five further chaser letters between March 2022 and September 2022.

Phoenix said that Mrs W called it on 16 September 2022 to ask it about her name change. It said it called her back on 20 September 2022 to explain that it still needed her marriage certificate to update her name. And on 21 September 2022, it said it called Mrs W to discuss her plan information. And that it received Mrs W's email with a scanned copy of her marriage certificate the same day. Within this email, Mrs W told Phoenix when she would be available

during the week if it needed to call her again.

Phoenix said that it updated Mrs W's name on 30 September 2022. And it wrote to her to confirm this. It also sent a Retirement Quote Illustrative letter for the smaller of Mrs W's two plans. This showed that the value as £2,008.17.

Phoenix said that Mrs W called it on 26 October 2022 to discuss her pension. It said it told her about the claim process, including the retirement pack that it'd sent on 30 September 2022. Mrs W said she'd not received the letter, and that she was unaware of the claim process. Phoenix then re-sent the retirement pack first class. It also logged Mrs W's first grumble. Phoenix then sent the retirement pack for the second of Mrs W's two plans on 28 October 2022. This plan had a value of £5,509.41.

Phoenix said Mrs W called it again on 7 November 2022 to discuss her plans and options. It said she then called again to cash in both of her plans. But that the line had failed, so she'd called back later to complete the second stage of the claim process. Phoenix said it issued a Retirement Quote Illustrative letter for one of Mrs F's plans the same day. But said it didn't send this for the other plan until 20 December 2022.

Mrs W said she emailed Phoenix on 21 January 2023 to tell it she'd posted her completed claim forms. Phoenix said it received these on 27 January 2023.

On 7 February 2023, Phoenix told Mrs W that £5,024.54 had been paid into her bank account in respect of the bigger plan. And on 27 February 2023, Phoenix told Mrs W that £1,925.31 had been paid into her bank account in respect of the smaller one.

Phoenix said it sent P45s for both plans to Mrs W. But in April 2023, Mrs W told Phoenix she was concerned as she'd only received a P45 for one plan. She said she'd been given incorrect information about this.

Phoenix said that as it couldn't issue duplicates of P45s, it wrote to Mrs W on 25 April 2023 to provide the taxable amounts and tax deducted for both plans. Its work log recorded that it had: *"Issued a letter with copies of the letters for both policies but we cannot duplicate P45's as the originals may still arrive, they could just be delayed"*. Phoenix said that after speaking to Mrs W on 9 June 2023, it agreed to issue a copy-stamped P45 for one of the plans, which it actioned on 20 June 2023.

Mrs W complained to Phoenix on 5 June 2023. She was unhappy with the service and information it'd provided since February 2022. She was also unhappy that the P45 document for one of her plans was still missing, despite having been told it'd be posted to her.

Phoenix issued its final response to the complaint on 23 June 2023. It apologised for providing an incorrect email address to Mrs W. And for the poor communication it'd provided throughout the claim journey. It also apologised for the incorrect information provided by some of its call handlers.

Phoenix also apologised because it hadn't actioned Mrs W's initial request for a copy-stamped P45 for the smaller of her two plans in May 2023. It said this had now been issued as registered post on 20 June 2023.

Phoenix upheld the complaint. And offered Mrs W £200 for the distress and inconvenience caused. It also said that the delays it'd caused had led to her being £118.30 worse off. So it offered this amount as financial redress. It also offered Mrs W £50 to compensate her for the cost of the calls she'd made. It said it would pay her a total of £368.30.

Mrs W was unhappy with Phoenix's response. So she brought her complaint to this service. She said that her health and finances had been affected due to the stress she'd suffered. And felt that more compensation was appropriate under the circumstances.

After this service had requested Phoenix's complaint file, it said it reconsidered its original distress and inconvenience compensation. It said it'd like to pay Mrs W a further £150 for the delay in processing the claim. Our investigator passed this offer onto Mrs W.

Mrs W rejected the offer. She told this service that she'd called Phoenix as much as four times a month since January 2022. She said she'd asked it to call her at specific times in the week, but felt it had ignored that request. She said that despite this, she always called Phoenix back on any missed calls within one or two hours. She also said that Phoenix had told her that it would usually take 10 to 15 days after receiving the paperwork to cash in the two pensions. She felt she'd started the process in January 2022. But she hadn't received the money until 10 February 2023 and 28 February 2023.

Mrs W said she'd been trying to buy a car for her new job at the time, and because it'd taken so long to cash in her pensions, she'd lost the job. She said the stress and financial strain were immense. And that her health had suffered.

Mrs W felt she'd received poor service throughout the process. She also said that she'd had to wait each time she called Phoenix to actually get through to someone. And that promised call backs hadn't always happened. And that despite requesting information for both of her plans, Phoenix had only sent it for one, or had duplicated the paperwork for only one of the plans.

Our investigator felt that Phoenix's settlement offer with a further £150 compensation for the distress and inconvenience it'd caused was reasonable.

Mrs W didn't agree with our investigator. She said she'd only spent around 15 to 30 minutes trying to send emails to the incorrect email address. And that she'd mentioned the incorrect email address in January or February 2022. She said she'd been told the correct email address later, but had agreed with Phoenix that in future phone conversations were easier as its emails were encrypted. Therefore the incorrect email address wasn't an issue after she'd pointed it out as she always spoke to Phoenix by phone. She said she didn't send emails apart from the one she'd sent to scan her marriage certificate.

Mrs W said Phoenix asked her in September 2022 on the phone to scan and send her marriage certificate. And that she'd done this straight away. She said she'd not been asked for this before. And if she had, it must mean that Phoenix's letters didn't arrive.

Mrs W also said that Phoenix hadn't told her that original P45s would be posted. She said she'd received one but not the other. She said this was why she'd asked if she could scan her original marriage certificate, as Phoenix couldn't be trusted to return the original. She said she'd sent this as soon as Phoenix had agreed this was acceptable in September 2022.

As agreement couldn't be reached, the complaint has come to me for a review.

What I've decided – and why

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

Having done so, I agree with our investigator that Phoenix's settlement offer is reasonable. I know my decision will disappoint Mrs W. I'll explain the reasons for it.

I first considered whether Phoenix acted reasonably when it first spoke to Mrs W on 25 January 2022.

Phoenix's security check on 25 January 2022

Mrs W said that when she contacted Phoenix on 25 January 2022, she wasn't able to answer its security questions correctly.

From what I've seen, she was provided with a personal details form in the first Phoenix letter she received. So, although I understand why she was frustrated that Phoenix hung up on her when she failed its security checks on 25 January 2022, I don't consider it did anything wrong.

I say this because, from what Mrs W has told this service, she'd only just found out she might be a customer of Phoenix, despite its letter being sent almost four months earlier. And that letter included the client details form. I acknowledge that Mrs W's preference was to speak to Phoenix, but I'm not sure how she could've been in a position to pass security checks during a phone call at this point. She didn't have any information about her benefits with Phoenix other than those in the letter. And Phoenix would've had no way of knowing that the letter had found its way to the correct person.

Therefore, I'm satisfied that, under the circumstances, it was reasonable for a personal details form to be included in the letter from Phoenix and for it to expect that Mrs W would complete and return this in order to confirm she was its policyholder.

I next considered whether the financial redress Phoenix has already paid Mrs W was appropriate.

Is the financial redress Phoenix has paid Mrs W appropriate?

Phoenix calculated the financial redress based on what should've happened once it'd updated Mrs W's name on 30 September 2022. It said Mrs W had given no clear intention that she wanted to claim her benefits when she'd first called it in January 2022. It also said that Mrs W hadn't got back in touch with it until 16 September 2022 to query the status of her name change. It had then called her back on 20 September 2022 to explain that it still needed her marriage certificate to update her name, and she'd provided this the following day.

I think that it was at this time that it became apparent that Phoenix had provided Mrs W with the wrong email address in February 2022. She provided the required certificate the following day.

Mrs W said she hadn't spent very long trying to send emails to the incorrect email address. She said she'd told Phoenix about it in January or February 2022. And that although Phoenix had told her the correct email address, it'd agreed that it would communicate with her by phone. She also said that when Phoenix had, for the first time, asked her for a scan of her marriage certificate in September 2022, she'd provided this straight away.

I'm satisfied that the evidence shows that once Mrs W had contacted Phoenix about the outstanding requirements for her name change, it took reasonable steps to let her know what was still needed. I'm also satisfied that once Mrs W had provided this, Phoenix processed it in a reasonable time frame. Therefore I'm satisfied that it's reasonable for Phoenix to base its redress calculations on having a confirmed name for Mrs W on 30 September 2022.

Phoenix felt that Mrs W's smaller plan should've been processed five working days after her marital status had been updated and a Retirement Quote Illustrative letter had been issued, so 7 October 2022. It told this service that Mrs W's smaller plan should've been processed on 7 October 2022 rather than 23 February 2023. And the bigger plan should've been processed on 7 October 2022 rather than 7 February 2023. It said its actuarial department had calculated that if this had happened, Mrs W would've received £118.30 more in total from her pensions. This included 8% each year simple interest as compensation for the loss of use of the money, in line with what this service usually recommends.

From what I've seen, I'm satisfied that Phoenix has taken reasonable steps to put Mrs W back into the position she would've been in but for the delays it caused. I say this because I've seen no evidence that Mrs W asked Phoenix to cash in her pensions before September 2022.

In any event, Phoenix wasn't able to confirm Mrs W's name change until 30 September 2022, so even if Mrs W had made it clear that she wanted to cash in her pensions before then, Phoenix wouldn't have been able to action her request until she'd provided the marriage certificate.

Phoenix first told Mrs W it needed sight of her original marriage certificate on 16 February 2022. It also said it sent several chasers to her. I acknowledge that Mrs W said she didn't receive any of these letters. But even if she didn't, I'm still satisfied that she knew Phoenix needed her original marriage certificate. I say this because she'd tried to comply with this request around the time she'd first received it in February 2022, but had failed due to having been given an incorrect email address. Despite knowing Phoenix's requirement for this, Mrs W didn't send it until September 2022.

I acknowledge that Mrs W said she tried to provide the marriage certificate before September 2022. And that she'd agreed with Phoenix that she'd communicate with it by phone, given how erratic the postal system was. But I can't fairly say that Phoenix's request for the original marriage certificate in February 2022 was either unclear or unreasonable. So I'd expect Mrs W to call Phoenix to ask it how she could provide it with the marriage certificate it needed once the scan of the original marriage certificate had bounced back.

Mrs W told this service that she'd been calling Phoenix constantly since January 2022. She said she'd mentioned the bounce backs to Phoenix once "*very early on*" and that it'd agreed that it was an error on its part. But, despite receiving extremely detailed logs from Phoenix, I've seen no evidence that she asked it – before September 2022 – about its ongoing request for evidence of her name change.

While I don't doubt Mrs W's testimony, without any further evidence that she asked Phoenix how she could fulfil its request for the original marriage certificate much earlier than September 2022, I'm more persuaded that Phoenix only realised it'd provided Mrs W with the wrong email address on 20 September 2022. It then provided the correct email address and Mrs W provided it with the missing documentation.

I think that if Mrs W had told Phoenix that her emails were bouncing back at an earlier date, it would've provided her with the correct email address, as it did on 21 September 2022. I say this because Phoenix sent several chasers asking Mrs W to send it her original certificate between March and September 2022. Regardless of whether Mrs W received these chasers or not, I don't think Phoenix would've sent them if it'd spoken to Mrs W about the incorrect email address. In that case, I think it would've given her other methods of getting the required document to it.

Mrs W also said that Phoenix asked her for a scan of her marriage certificate for the first

time in September 2022. This is clearly not correct. I say this because she also said that she'd tried to comply with Phoenix's February 2022 request for the scan of the marriage certificate at the time. But didn't succeed due to the incorrect email address. Overall, I'm satisfied that it took Mrs W from February 2022 to September 2022 to meet Phoenix's request.

I'm therefore satisfied that Phoenix's financial redress calculation is fair and reasonable.

I finally considered whether Phoenix's total offer of £350 for the distress and inconvenience it has caused Mrs W is fair and reasonable. I understand that it has already paid Mrs W £200 of this, alongside £118.30 in respect of the financial loss its delays caused and £50 to cover the cost of phone calls.

Distress and inconvenience

Phoenix said its original distress and inconvenience offer of £200 was because there'd been an error with the mailbox address it'd given Mrs W. And because of the frustration and inconvenience she'd faced when dealing with her claim from overseas.

I can see that there have been a number of issues with the service Mrs W received from Phoenix. These are as follows:

- The provision of the incorrect email address.
- Phoenix's apparent failure to send the Retirement Quote Illustrative letter for both plans on 30 September 2022. Mrs W said she'd made it clear to Phoenix that it should treat both of her plans together. And that it'd agreed to this.
- Mrs W's difficulty in getting through to Phoenix on the phone. Its failure to call back when it said it would. And its failure to call her at the times she'd asked it to.
- Phoenix's failure to action Mrs W's initial request for a copy stamped P45 in May 2023.

However, I can also see that Phoenix took reasonable steps to put right the financial loss its avoidable delays caused. And that it made a compensation offer in respect of the distress and inconvenience the issues above have caused Mrs W.

So I need to consider if the total compensation offer of the £200 already paid, plus the further £150 offered, is reasonable for the distress and inconvenience Mrs W has suffered.

Mrs W said that she'd suffered stress which had affected her health and finances. And that the delay in cashing in her pensions had caused her to forfeit a new job.

From what I've seen, Phoenix acknowledged its mistakes. And acted relatively quickly to put things right. I can see that it tried to ensure that it fully understood all aspects of Mrs W's complaint.

I can also see that the issues Mrs W has faced have caused her considerable stress. I'm sorry for what she's been through.

However, as I noted above, I consider that a large part of the delay in cashing in Mrs W's pension was due to her failing to provide the requested marriage certificate. So it wouldn't be fair or reasonable for me to hold Phoenix responsible for all of the impact the delay has had on Mrs W.

I also note that Phoenix's revised offer – a total of £350 for the distress and inconvenience caused – would be within the range of what this service might award where the impact of a business's mistake has caused considerable distress, upset and worry, and/or significant inconvenience and disruption that needs a lot of extra effort to sort out. And where the impact has lasted over many weeks or months.

Therefore, while I know this will disappoint Mrs W, I can't fairly ask Phoenix to increase its offer. So I uphold this complaint, as Phoenix still needs to pay the additional £150 it has offered Mrs W. But I won't be asking it to take any additional steps.

Putting things right

Phoenix Life Limited must pay Mrs W a further £150 compensation for the distress and inconvenience it has caused her.

My final decision

For the reasons set out above, I uphold Mrs W's complaint. Phoenix Life Limited must pay Mrs W a further £150 compensation for the distress and inconvenience it has caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 6 December 2023.

Jo Occleshaw
Ombudsman