

The complaint

Mrs J and Mr J have complained about the service they received from Phoenix Life Limited trading as Sun Life ("Sun Life").

What happened

The background to this matter is well known to the parties and not in dispute. In summary Mrs J and Mr J each had an over 50s plan with Sun Life. As they had moved abroad, they requested international bank details (IBAN) from Sun Life in order to continue to pay their premiums. Despite attempts to get the information, Sun Life didn't provide this and eventually cancelled the policies.

Sun Life did provide Mrs J and Mr J with an IBAN - but only did so after they raised a complaint some months after their first request. It apologised and offered to reinstate the policies, foregoing the missing premiums. It also offered some compensation.

As Mrs J and Mr J had indicated that they no longer wished to have the policies with Sun Life, not least because they had taken out other policies, our investigator felt that more compensation was due. He recommended that Sun Life pay Mrs J and Mr J each £200 as well as £10 in post charges.

Mrs J and Mr J remained unhappy with the offer of compensation.

I issued a provisional decision on 30 January 2024. I said as follows:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I'm aware I've summarised the background to this complaint. No discourtesy is intended by this. Instead, I've focused on what I find are the key issues here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

Sun Life apologised and offered to reinstate the policies foregoing the missing premiums. I think that was reasonable. However by this time Mrs J and Mr J because they were unable to make payments as the IBAN number hadn't been sent they felt the need to take out other policies to protect themselves. Accordingly, and given the service they had received, I can understand why they didn't wish to continue with the Sun Life policies, as they now had policies elsewhere. But by this time they had together paid over £5000 – as the policies remain cancelled they won't benefit from this going forward. Although I accept that there was cover in place up until the policies were cancelled.

It isn't in dispute that compensation is due to Mrs J and Mr J, but I find that the recommended figure doesn't fully address the stress and upset they went through in trying to pay, then to be told that their policies were cancelled. This was at a time when Mrs J had suffered a period of ill health. Thinking about the personal impact on Mrs J and Mr J I'm minded to find compensation in the sum of £450 each is merited. This includes the cost of

calls and post but is not in addition to any other compensation – if that has already been paid.

Sun Life agreed to pay compensation of £450 each to Mrs J and Mr J. Mr J indicated on behalf of himself and Mrs J that they had provided all the information they had on the complaint.

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.

As there has been no disagreement to my provisional findings, or further representations I see no reason to change them, and I adopt them here.

My final decision

My final decision is that I uphold this complaint and require Phoenix Life Limited trading as Sun Life to pay Mrs J and Mr J each compensation in the sum of £450.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J and Mr J to accept or reject my decision before 19 March 2024.

Lindsey Woloski
Ombudsman