

## The complaint

Mr and Mrs F have complained they received conflicting information from Phoenix Life CA Limited ('Phoenix') about the amount of funds invested into their Standard Cannon Bond Plan ('the Plan'). Phoenix says it returned £2,000 to them but Mr and Mrs F say this was never received and they would like this repaid to them.

## What happened

Mr and Mrs F first invested into the Plan in December 1982. The Plan was a unit linked bond. In February 2017 Phoenix wrote to Mr and Mrs F saying they could invest an additional lump sum if they wanted to and they sent a cheque for £2,000 on 11 March 2017 to be added to their current investment of £500.

In December 2023 Mr and Mrs F received a statement for the period 8 December 2023 showing they had invested £2,500 into the Plan and it was then currently valued at £2,253.94. They were then told on 21 December 2023 they had only invested £500 and £2,000 had been returned to them. They didn't receive this cheque so complained to Phoenix.

Phoenix did not uphold the complaint. It said;

- It had written to Mr and Mrs F on 24 March 2017 explaining the fund they wanted to invest £2,000 into was no longer available for new investment and asked them to choose an alternative fund.
- It didn't receive a reply, and its records confirmed that a cheque for £2,000 was sent to Mr and Mrs F on 11 April 2017.
- The statement Mr and Mrs F had showed all the funds invested, including the £2,000 originally received before it was refunded. The plan had had a partial surrender of £2,000 which wasn't reflected in the statement. When it was refunded it was deducted from the plan leaving £500 invested.
- It had no evidence that Mr and Mrs F had contacted them about a refund in 2017 and after.
- As it was more than six years since the cheque was sent it couldn't find any evidence of an uncashed cheque for the plan.

Unhappy with the outcome, Mr and Mrs F brought their complaint to the Financial Ombudsman Service. Our investigator who considered the complaint didn't think Phoenix needed to do anything more. He said;

- Based on the evidence available a cheque for £2,000 had been sent to Mr and Mrs F on 11 April 2017.
- If this wasn't received, it wasn't possible to say what had happened to the cheque but if it had been lost it wasn't Phoenix' responsibility.
- As of 9 September 2024, Phoenix advised the Plan was worth £2,140.07 and hadn't

been valued at £500 in recent years as suggested by Mr and Mrs F.

Mr and Mrs F didn't agree and provided a copy of their joint bank statement showing that their cheque (number ending 934) had been cashed on 23 March 2017. Their response didn't change the investigator's opinion. As the complaint remains unresolved, it has been passed to me for a decision in my role as ombudsman.

### **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.

After doing so, I've reached the same conclusion as the investigator and broadly for the same reasons. I'll explain why.

I should first say that when the evidence or testimony presented to me is contradictory or incomplete, I have to base my decision on the balance of probabilities and what I think more likely happened.

I can see the statement of account for the Plan for 8 December 2023 shows the amount of 'How much you have invested in this plan' as being £2,500 and that it was currently valued at £2,253.94. It was this statement – and the difference in the subsequent letter of 21 December 2023 saying only £500 had been invested – that led to Mr and Mrs F contacting Phoenix and its response confirming that only £500 had been invested and the additional potential investment of £2,000 had been repaid to them. I can appreciate receipt of the statement and Phoenix' response to Mr and Mrs F would have caused confusion. The statement clearly stated that £2,500 had been invested.

However, Phoenix has explained the statement didn't show the partial surrender of £2,000 ie the Plan itself had returned the sum back to Mr and Mrs F as it had never been invested. This was because the underlying fund they wanted to invest into was no longer available for new investment.

Phoenix has provided a copy of its letter sent to Mr and Mrs F on 23 March 2017. It said the fund Mr and Mrs F wanted to invest into – the '2<sup>nd</sup> Property Unit' – was closed to further investment and if they wanted to invest into a new fund, they should write to confirm their choice. A copy of its Fund Performance Table, switch form and information sheet were enclosed to assist them in making their choice.

I've seen a copy of the further letter Phoenix sent on 11 April 2017 enclosing a refund cheque for £2,000. It hadn't heard back from Mr and Mrs F and said if they wanted to invest into an alternative fund, Phoenix would need a cheque for £2,000 accompanied by a letter detailing the new fund they wanted to invest into.

Unfortunately, Phoenix no longer has any records to show the cheque paid to Mr and Mrs F in April 2017 was encashed as this was more than six years earlier and it no longer held any records. However, I don't find this surprising as businesses aren't required to keep records indefinitely. But Phoenix has told us it checked with its 'asset holding accounts and uncashed cheques account' and it wasn't able to find any record of it.

Mr and Mrs F have told us they were able to get copies of their bank statements for the remainder of 2017 which confirmed they hadn't encashed the cheque Phoenix says it sent. While I haven't seen copies of those statements, I don't doubt what Mr and Mrs F have said.

But looking at all the evidence I have been provided I think it's more likely than not that Phoenix sent the payment to Mr and Mrs F. While I accept that Phoenix cashed the cheque Mr and Mrs F sent on 11 March 2017, the copy correspondence makes clear that Mr and Mrs F were written two times, the latter letter enclosing a cheque for £2,000.

And the two letters sent were correctly addressed to Mr and Mrs F at their home address. While I accept some mail does go missing the majority of correctly addressed post does reach the intended recipient. Phoenix hasn't told us of any record of returned mail. So, while I appreciate Mr and Mrs F say they didn't receive the letter enclosing the cheque, on balance, I'm persuaded that the letter in question was printed on 11 April 2017 and sent to them shortly afterwards. In other words, I think it's more likely than not, that this is what happened. And as Phoenix isn't responsible for the safe delivery of mail, I can't blame Phoenix for the losses Mr and Mrs F have incurred because of any failure of a third-party postal service.

Therefore, I can't say that in this instance Phoenix is responsible for paying the losses claimed by Mr and Mrs F and I can't fairly hold it responsible for Mr and Mrs F not receiving the letter of 11 April 2017. So, while Mr and Mrs F say they didn't receive the letter sent by Phoenix, I think it was most likely sent. So, I don't think that Phoenix has done anything wrong here.

And while I accept its unfortunate Phoenix cannot evidence that the cheque was cashed by Mr and Mrs F that doesn't lead me to conclude it wasn't sent and to the correct recipient. It follows that I don't think Phoenix needs to do anything more.

I appreciate Mr and Mrs F will be disappointed in the outcome. It's clear they, understandably, feel strongly about it and I'd like to thank them for the time and effort they have sent in bringing their complaint. But I hope I have been able to explain how and why I have reached my decision.

### **My final decision**

For the reasons given, I don't uphold Mr and Mrs F's complaint about Phoenix Life CA Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs F to accept or reject my decision before 18 September 2025.

Catherine Langley  
**Ombudsman**