

The complaint

Mr E complains Phoenix Life Limited has given him false and misleading information about a life insurance policy he holds.

What happened

The facts of this dispute are well known to both parties. But in brief:

- Phoenix provides Mr E with life cover. In 2024, it wrote to him and said his monthly premium and sum assured would be changing.
- Mr E challenged the new figures Phoenix provided. He didn't believe the cost of his policy should've varied by this amount.
- Phoenix apologised. Across its responses to his 2024 complaint, it paid him in excess of £350 for his distress and inconvenience, as well as correcting its figures.
- In 2025, Phoenix wrote to Mr E again telling him his monthly premiums and sum assured would be changing.
- Again, Mr E challenged the new figures which bore little resemblance to what he'd expected to see when Phoenix wrote to him.
- Phoenix failed to respond to Mr E's complaint so he referred the matter to our service. On referral, it offered Mr E £250 to apologise for its most recent mistakes.

Mr E's 2024 complaint was never referred to the Financial Ombudsman Service. It's referenced above purely for context. This complaint focusses on the events Mr E reported to Phoenix in 2025.

Mr E didn't accept the offer Phoenix had made. He was unhappy his 2025 complaint had gone completely unacknowledged. And he felt the firm still hadn't clarified what his policy's ongoing price or sum assured would be.

Our investigator clarified the ongoing price and sum assured of Mr E's policy, and they gave the opinion that Phoenix's offer to settle the complaint was fair. They explained the £250 Mr E had been offered was in keeping with what our service would expect to see in a case like his. The investigator further explained that it wasn't our place to punish Phoenix, and they didn't think it would be fair to make an award to Mr E in excess of £250.

Mr E didn't accept our investigator's findings, so the matter's been referred to me for a decision.

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've reached the same conclusion as our investigator. I shall explain why.

Phoenix has a broad obligation to communicate information about its products in a way that's clear fair and not misleading. There's no dispute in this case that it failed to do so

when it wrote to Mr E this year, repeating its mistake from 2024. Our investigator has already clarified the details of Mr E's policy with him. What remains for me to decide therefore, is what Phoenix must do to fairly and reasonably resolve Mr E's complaint.

I'm conscious Phoenix produced its erroneous communications at a time where Mr E was going through a divorce. The suggestion from Mr E is that the letter's contents made him appear dishonest to the solicitors representing his ex-partner. There's no evidence to suggest this has led to greater costs or unfavourable divorce terms as a result. I'm happy to accept however that these allegations in the context of a divorce will have been quite unpleasant to deal with.

More generally, I can see Mr E has expended time and effort, for the second year running, following up with Phoenix to try and get clear information about his policy. I'm satisfied he wouldn't have been put to this trouble were it not for Phoenix's misleading communications. And I take the view that the firm missed the opportunity to quickly correct its error when it failed to properly respond to Mr E's most recent complaint.

On the whole, whilst I've not found evidence that he's suffered any direct financial losses, I'm persuaded Phoenix's treated Mr E unfairly and will have both distressed and inconvenienced him. With all of that being said, I'm satisfied the firm's offer of £250 is a fair reflection of the impact Phoenix's actions have had on Mr E.

Mr E has suggested he should be paid more compensation. And I will acknowledge that these types of awards can be somewhat subjective. But the evidence in this case persuades me the £250 that's been offered to Mr E is in keeping with other awards our service has made in similar circumstances. And crucially, it aligns with what I consider to be a fair and reasonable offer of compensation having considered all of the circumstances of this complaint.

My final decision

My final decision is that I uphold Mr E's complaint. If it has not already done so, I now require that Phoenix Life Limited pays Mr E £250 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 8 December 2025.

Marcus Moore
Ombudsman