

The complaint

Mr K complains about the way Phoenix Life Limited has dealt with his enquiries to help establish if a pay-out is due on a savings policy in his name. He is unhappy it hasn't been able to provide a definitive answer on what happened to the policy.

What happened

In 1973, Mr K took out an industrial assurance policy with Britannic Assurance (who Phoenix Life are now responsible for). The premium being paid into the policy was 25 pence per week.

In December 2023, Mr K's brother contacted Phoenix on his behalf as they had discovered an old Britannic Assurance passbook in his name, and also passbooks for his brother and sister. He was seeking to establish the value of the policies and potential maturity pay out.

Mr K's brother corresponded with Phoenix over several months attempting to get clarification about the policies. When this didn't result in the clarification sought, a complaint was made. Phoenix responded to the complaint, but Mr K's brother remained unhappy, and a complaint was referred to this service.

At the start of December 2024, Mr K submitted a complaint individually to Phoenix. He was unhappy with the inadequate and unprofessional management of the inquiries made about his policy.

Phoenix responded to Mr K's complaint. In summary it apologised for the overall poor customer service received and offered compensation as an apology. As Mr K remained unsatisfied with this response, so the complaint was reviewed by one of our investigators. In summary, the investigator was satisfied there isn't evidence that the policy holds any value. He thought the compensation offered to Mr K was fair and reasonable. Mr K didn't accept the findings and requested an ombudsman reach a decision on the complaint.

I issued a provisional decision in October 2025. This is what I said:

"In reaching my decision, I'm considering whether Phoenix has made reasonable attempts to support Mr K in his request for details of his policy and whether it holds any funds due to him. So, I need to consider whether Phoenix has treated Mr K fairly and reasonably when looking for records of a live policy in his name.

Phoenix's position is that the policy has lapsed and there is no outstanding monies to be paid. It says if there were outstanding monies to be paid, the policy would be on its system, but after searching it doesn't hold any records, and it wouldn't hold documentation on the system for lapsed policies for more than six years.

There is limited information available about the policy. But based on the evidence I've seen, I have established the policy was taken out in 1973 and it had a 15-year term. Also, the premiums due were 25 pence per week. I've got no indication whether the premiums were

paid in full for the whole term or not. And even if all premiums were paid and the policy was held for the full term, it would have matured over 35 years ago.

In situations like this, where there is limited information, I need to reach a decision on the balance of probabilities.

Phoenix has provided evidence of the searches it has completed in attempt to trace Mr K's policy. It has shared screenshots showing the searches it completed of its system, using the policy number, his name as well as searches using the postcode for his address and the previous address he provided. But these haven't returned any trace. So, I don't find the balance of evidence supports it holds a policy with funds due to be paid out.

I acknowledge Mr K says he has no record of there being communications from Phoenix or Britannic during the term of the policy. The fact correspondence isn't now available for a policy that was due to mature many years ago, doesn't in itself persuade me nothing was ever sent. I've taken into account that financial businesses don't have to keep records of withdrawals or policy closures forever. But they will keep records of open products, even if they haven't been used for some time. If the maturity proceeds from Mr K's policy was still due for payment, I'd expect it to appear in Phoenix's records.

While Mr K has raised the possibility of records being deleted incorrectly or mistakenly, even though the policy has a monetary value. I don't have any evidence to support that this is what has happened. He would like Phoenix to explain exactly why his policy doesn't have a monetary value. I appreciate it's frustrating for Mr K to not have confirmation about what happened to this policy. However, I'm satisfied that Phoenix has no records of it (or any other accounts in his name). So I haven't found reason to say it has made an error in this respect.

But I have identified a number of failings by Phoenix in the service it has provided to Mr K. Indeed, Phoenix has accepted that it did make errors when supporting Mr K in his attempts to find out what happened to his policy. Initially Mr K's brother undertook the main responsibility for corresponding with Phoenix on his behalf. Phoenix has apologised for the overall poor customer service received, since attempting to trace the relevant policy. It admitted errors in dealing with the receipt of information relating to the policy and conceded it made oversights when scanning documents. It also conceded this prolonged the process of answering the query raised about locating the policy. It acknowledged it caused further stress with the information being requested that had already been provided and received. Phoenix also couldn't return Mr K's passbook as he requested. It said it couldn't locate it, so assumed it has been destroyed. It further explained to this service, when it determines a policy has lapsed, sometimes the documentation is destroyed following the trace being completed. This raised Mr K's concerns about how his personal data was being protected by Phoenix.

I've gone on to consider the impact of Phoenix's failings on Mr K. He says Phoenix' handling of the queries has caused him enormous confusion, and frustration. He says over the 12 months plus the situation has been going on, the constant non-engagement and disdain towards him has left him drained. He also suffered upset due to the way his personal data has been treated without the sensitivity and security it deserved, and felt it was very distasteful to suggest he was "claiming" to have sent the documentation. It is clear the situation has caused Mr K a lot of worry and upset. While his brother took responsibility for a lot of the correspondence with Phoenix, he has suffered inconvenience too and spent time discussing matters with his family on how to progress things.

Phoenix has made him an offer of compensation. In total it has offered a payment of £300, and it has apologised for its handling of the situation. But it sent him a cheque for £350. Phoenix has since explained that it should have only sent a £300 cheque, so has cancelled the one it sent. This has added further confusion and frustration as to why Mr K was being offered less compensation than his siblings. While I'm satisfied Phoenix recognises its service failings have had an impact on Mr K, I've considered whether the compensation offered is fair and reasonable in the circumstances.

Having reviewed everything, I'm not satisfied the amount of compensation offered is sufficient in the circumstances. It is clear Phoenix has caused Mr K considerable frustration, upset and worry – and some inconvenience too. I think a payment of £500 is fair and reasonable in the circumstances."

Mr K responded and provided further submissions for me to consider. In summary he said:

- The search evidence provided only shows he is not on the system therefore no monetary value is payable. This is hardly definitive, especially looking at the compelling information already submitted by him.
- On the front of the policy passbook under 'Ordinary Assurance' it states 'Weekly collections- 15-year term savings, profits and life assurance Children Policies'. If you google is there a monetary value on an Industrial Assurance Policy with or without profits, the answer is yes on maturity. Phoenix's own website also explains these types of policies were life insurance policies and were usually taken out to pay for funeral expenses or to provide a lump sum when the policy ended. Internet searches also indicate a savings plan (or the money in it) does not expire or get lost, provided it is with a regulated financial institution, and policies can remain dormant until the money is claimed. He has found articles that indicate there are many millions of benefits from industrial branch policies that are unclaimed.
- The evidence shows overwhelmingly that there is money held within the policy and it's more than reasonable to expect Phoenix to honour this. He received no communication about who was managing the fund or notification as to the impending maturity. It appears within the findings that it is only Phoenix's deposition that has been considered as he cannot see anything from him has been considered.
- There was no communication about who was managing the fund at the time. He received no updates as to the progress of the fund, no notification as to the impending maturity, no communication as to advising what to do next. This shows the massive imbalance of evidence in his favour.
- The original firm that provided the policy, Britannic, has been through several acquisitions since his policy was taken out. All these changes have needed data migration to the relevant companies' records. It is accepted that there is a high risk due to, poor data being submitted, migration corruption, and loss of data due to the number of changes, so is it any wonder Phoenix can't find him.
- Phoenix should not get away with the non-engagement of him as a customer for this length of time (closing in on 24 months), the seriousness of losing data, the constant frustration of being fobbed off, showing no respect for his identity, causing substantial distress, upset and worry. The suggestion that he had not even been sent information should not be treated lightly.

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.

I've considered the further responses to my provisional decision, alongside all of the other submissions made. I recognise Mr K's strength of feeling about this complaint, and I want to reassure him that I have considered everything he has sent. While I will not be addressing every single point, I have fully considered everything and am satisfied that my findings below address the substance of the arguments that have been put forward.

Firstly, I've considered Mr K's points about the searches Phoenix completed not being definitive, and just because he is not on the system there is no monetary value due. He has also provided information to support his view that the policy holds a value. This includes information from Phoenix's website about the type of policy he held attracting a maturity value and also research he has completed about dormant accounts. I've reviewed the submissions and the attachments he has sent.

From the information I've seen, and the latest evidence Mr K has provided, I agree the type of policy he held is designed to attract a pay-out after a set term. So, this is not in dispute. What I don't have sufficient evidence to say is that there is an outstanding amount due to Mr K. The fact alone a pay-out was expected from this type of policy, isn't in my view, enough to say that Phoenix has failed to make a payment that remains due to Mr K. There are a range of possibilities of what could have happened to the policy since it commenced – including the premiums stopped being paid and the policy lapsed without value, it could have ended early with a surrender value being paid at an earlier date, or it is possible the full surrender value was paid at maturity. I appreciate Mr K doesn't recall receiving a value from the policy at any point, and he wouldn't be pursuing the complaint if he did. But what I have not found, on balance, is that there is a value from the policy Phoenix holds and needs to pay out now.

While Mr K believes the evidence supports that there is money held within the policy and its more than reasonable to expect Phoenix to honour this, I don't find the balance of evidence supports this. There is limited information available about what happened to the policy, so I need to work on the balance of probabilities. In doing this I have taken into account all of Mr K's submissions. The evidence he has provided shows the existence of a policy but little else to show what happened during the history of the policy. I haven't seen evidence of the payments made, that they were continually maintained, or that the policy was held until the scheduled maturity date. Phoenix has provided evidence to show it has searched for a live policy for Mr K, including his previous addresses. But these searches haven't uncovered anything – which I would expect to see if a value was due. I acknowledge that it isn't a fully satisfactory position, where no definitive answer is given on the maturity of the policy. But I'm not reaching a decision on what happened to the policy, I'm looking at whether Phoenix has acted fairly when making attempts to establish if Mr K has any value due to him from the policy.

I note Mr K has also raised a point about not receiving any communications about the policy – including a maturity notice. While he says no communications were received by him - this could equally be because the policy no longer exists and hasn't done for some time. The scheduled maturity date was more than 30 years ago, so the fact little is available isn't surprising considering the time that has passed. I haven't seen that there were attempts by Mr K to obtain information about the policy before 2023/24. As inferred above, my finding isn't that the policy had no maturity value, but rather the evidence I've seen doesn't support there is a value outstanding to be paid. I appreciate this doesn't help Mr K's position in finding out what happened to the policy.

Lastly, I note Mr K feels Phoenix should not get away with the service failings that have caused him significant impact in several different ways. I do empathise with Mr K, and I reassure him I have considered everything he has told us. The £500 I awarded in my provisional decision is in line with our approach to making compensation awards for distress and inconvenience suffered due to a firm's failings. I've reviewed all of the circumstances again, but for the reasons given in my provisional decision, I find that the compensation I suggested is fair and reasonable, so I haven't found reason to require Phoenix to increase this.

My final decision

My final decision is that Phoenix Life Limited should pay Mr K £500 for the distress and inconvenience he has suffered as a result of its actions.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 25 December 2025.

Daniel Little
Ombudsman