

The complaint

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

What happened

In 1973, Mrs W 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, Mrs W's brother contacted Phoenix on her behalf as they had discovered an old Britannic Assurance passbook in her name, and also passbooks for her two brothers. She was seeking to establish the value of the policy and potential maturity pay out.

Mrs W'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 Mrs W's brother remained unhappy, and a complaint was referred to this service.

At the end of November 2024, Mrs W submitted a complaint individually to Phoenix. She was unhappy with the inadequate and unprofessional management and the time taken to deal with the enquires.

Phoenix responded to Mrs W's complaint. In summary it apologised for the overall poor customer service received and offered compensation as an apology. As Mrs W remained unsatisfied with this response, 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 Mrs W was fair and reasonable. Mrs W 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 Mrs W in her requests for details of her policy and whether it holds any funds due to her. So, I need to consider whether Phoenix has treated Mrs W fairly and reasonably when looking for records of a live policy in her 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 an attempt to trace Mrs W's policy. It has shared screenshots showing the searches it completed of its system, using the policy number, her date of birth and Mrs W's current last name and her previous name, as well as searches using the postcode for her address and the previous addresses she 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'm also conscious 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 Mrs W's policy was still due for payment, I'd expect it to appear in Phoenix's records.

I appreciate it's frustrating for Mrs W 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 her name), and that it hasn't done anything wrong in this respect.

But, I have identified a number of failings by Phoenix in the service it has provided to Mrs W. Indeed, Phoenix has accepted that it did make errors when supporting Mrs W in her attempts to find out what happened to her policy. Initially Mrs W's brother undertook the main responsibility for corresponding with Phoenix on her 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's inability to confirm and confusing messaging raised further concerns for Mrs W about its ability to safely hold documents containing personal data. It is clear the service provided fell below the level expected.

I've gone to consider the impact of Phoenix's failings on Mrs W. She says it has taken more than 12 months of what has become a tortuous, frustrating, stressful and worrying time in correspondence with Phoenix to achieve her initial aim of finding a value for her policy. She also says Phoenix's handling of her personal data left her extremely worried and continues to have concerns about this. Phoenix's lack of initiative in progressing the enquiry meant time was spent as a family on communicating and driving this forward - all of which was exhausting, stressful, exasperating and frustrating. The whole process has left her with no faith, confidence or trust in Phoenix.

It is clear the situation has caused Mrs W a lot of worry and upset. While her brother took responsibility for a lot of the correspondence with Phoenix, she has suffered inconvenience too and spent time discussing with her family how to progress things.

Phoenix has made her an offer of compensation. In total it has offered a payment of £350, and it has apologised for its handling of the situation. While I'm satisfied Phoenix recognises its service failings have had an impact on Mrs W, 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 Mrs W considerable

frustration, upset and worry – and some inconvenience too. I think a payment of £500 is fair and reasonable in the circumstances. I understand Mrs W didn't cash the cheque she was sent, so nothing has been paid yet."

Phoenix responded and accepted the provisional findings.

Mrs W responded and provided further submissions for me to consider. In summary she said:

- 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 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.
- The provisional decision negates any policy value based on probability and Phoenix's searches. She has absolutely no confidence in Phoenix's professionalism, attention to detail and processes. So there is also probability that the original data may not have transferred to the current system. She believes the information she supplied backs up a policy maturity value is owed.
- She has a total lack of faith and trust in the transparency, integrity, systems and accountability of Phoenix. It has shown a total lack of professional aptitude, thoroughness and system processes. This is why she has no confidence in Phoenix and its record keeping.
- It is really difficult to convey the extreme levels of distress, stress and anger this whole saga has played on her. Alongside the impact on her brother (who had taken the lead), she felt guilty and upset that he felt responsibility to carry this through as the eldest. She remains of the opinion that compensation for the impact on her mental health should be higher and also a recognition of policy value.

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 Mrs W's strength of feeling about this complaint, and I want to reassure her that I have considered everything she 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 Mrs W's points about the searches Phoenix completed. Mrs W has questioned whether all of her previous addresses have been used, and evidence provided to show the outcome. We asked Phoenix to search using all of the addresses she has provided. It shared the evidence of the searches, but they haven't uncovered anything.

Mrs W has also provided further information to support her view that the policy holds a value. This includes information from Phoenix's website about the type of policy she held attracting a maturity value and also research by her brother about dormant accounts. I've reviewed the submissions made.

From the information I've seen, and the latest evidence provided, I agree the type of policy Mrs W 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 Mrs W. 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 her. 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 Mrs W doesn't recall receiving a value from the policy at any point, and she wouldn't be pursuing the complaint if she 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 Mrs W believes the evidence supports that there is money held within the policy and it's 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 Mrs W's submissions. The evidence she 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. As explained above, Phoenix has provided evidence to show it has searched for a live policy for Mrs W, 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 Mrs W has any value due to her from the policy.

Lastly, I note Mrs W's comments about the extreme levels of distress, stress and anger this whole saga has played on her. It is clear that there has been a profound impact on her and her siblings due to Phoenix's handling of the situation. I do empathise with Mrs W, and I reassure her I have considered everything she 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 Mrs W £500 for the distress and inconvenience she has suffered as a result of its actions.

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

Daniel Little
Ombudsman