

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 contacted Phoenix as he had discovered an old Britannic Assurance passbook in his name, and also passbooks for his brother and sister. The premium receipt book Mr K found showed the premiums being paid into his policy up to May 1980. He was seeking to establish the value of the policy and maturity pay out due.

After problems getting a satisfactory response, Mr K raised concerns with Phoenix. It apologised for the service provided by sending a cheque for £300 as compensation.

The problems continued, so in December 2024, Mr K referred his complaint to this service for an independent review. Phoenix made a further offer of compensation of another £300, making the total amount offered as £600. Mr K didn't accept this offer.

One of our investigators issued an assessment on the complaint and wasn't satisfied there was evidence of a value being due to Mr K from the policy. He found the compensation offered to be 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 requests 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, and they were paid until at least May 1980. I've no indication whether premiums were paid past this date 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 completed in an attempt to trace Mr K's policy. It has shared screenshots showing the searches it completed of its system, using the policy number, and Mr K's last name and 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'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 Mr K's policy was still due for payment, I'd expect it to appear in Phoenix's records.

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), and that it hasn't done anything wrong in this respect.

But I have identified a number of failings by Phoenix when dealing with Mr K's queries. Indeed, Phoenix has accepted that it did make errors when supporting Mr K in attempts to find out what happened to his policy. It concedes it initially failed to adequately investigate Mr K's enquiries. There were problems scanning and recording information under the correct customer reference. It didn't follow up with Mr K or keep him informed. All of this meant it took significantly longer to answer his queries – and it went on for many months. The lack of clarity and misinformation regarding the receipt of evidence sent by post by Mr K also contributed to the problems. Even after the complaint was referred to this service, there were further problems including confusion surrounding Mr K's passbook being destroyed. Phoenix says 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. It is clear he has been put to a lot of hassle, having to spend around a year trying to get an answer about what has happened to his policy. He's spent a considerable amount of time chasing things up and even when he did receive responses these were often confusing and unclear. This was particularly frustrating and upsetting when he was provided with incorrect information by Phoenix about the receipt of documentation he had sent. This led to him being worried about how Phoenix was protecting his personal data. The whole experience left him having to spend significantly more time dealing with something that should have been relatively straightforward, leading to worry, upset and frustration.

Phoenix has made him an offer of compensation. In total it has offered a payment of £600, and it has apologised for its handling of the situation. 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 satisfied the amount of compensation offered is in line with the type of award I would make. It is clear Phoenix has caused Mr K considerable frustration, upset and worry – and significant inconvenience. I think a payment of £600 is therefore fair and reasonable in the circumstances. I understand Mr K has received and cashed the cheque for the first £300 that was offered to him. So, to settle the complaint Phoenix needs to pay him the remaining £300, so he receives compensation totalling £600 in total."

Phoenix responded and accepted the provisional findings.

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

- Phoenix's inefficient systems meant it was unable to track items received. It hasn't answered the critical issue of what has happened to his personal data – whether it has been destroyed or not. No evidence has been forthcoming from Phoenix as to precisely what has happened to the data. A robust system would at least contain the date his documents arrived; date they were scanned and their departmental journey until they were destroyed.
- He questions how well trained the staff are with reference to the use of the Royal Mail's services. It misinterpreted the receipt of the package he sent.
- Phoenix's approach to handling his queries left him feeling 'We are bigger than you, so we are always correct'. He was faced with denials and made to feel like he was making things up. This hasn't been addressed by Phoenix and failed to get a mention in the judgement.
- The compensation recommended does not reflect the seriousness of either the whereabouts of his data or the language used against him. Neither does it address the angst he was put through.

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 how Phoenix handled the documentation he sent. I won't repeat everything again, but it is clear that errors have been made by Phoenix including the failure to process correspondence when it was received, providing incorrect information about receipt and being responsible for causing long delays.

Mr K is particularly concerned that he hasn't been given a definitive answer about what happened to his personal data that he sent to Phoenix. I have considered everything he has said about the impact of this on him. What is clear is that Phoenix hasn't returned Mr K's passbook. It says it has a process, when a policy is trying to be traced and it determines that it lapsed many years ago (and therefore no action can be taken with said policy), the documentation is destroyed following the trace being completed. However, sometimes documents are kept in an archive file. I haven't seen anything to suggest Phoenix has allowed Mr K's personal data to be passed outside of its organisation or that it has been exposed to risk. But I understand the fact Phoenix hasn't provided a definitive answer has caused Mr K worry and concerns about the security of his personal data. All of this is taken into account when deciding fair compensation for this complaint. I also require Phoenix to again review the circumstances of what happened to Mr K's data following the completion of its searches, and provide him with an update to establish if it can provide any further clarification on the situation.

Mr K has also raised points about the processes Phoenix has in place for handling personal data. While I can look to see if he's been treated fairly in how Phoenix has dealt with his enquiries about his policy, we aren't the body responsible for ensuring it complies with its

data protection obligations. It's not our role to decide whether or not a business has breached data protection laws – that's the role of the Information Commissioners Office (ICO). So, any specific concerns about this would need to be referred to the ICO.

Mr K has also raised further points about Phoenix's dismissive approach to handling his queries. This left him feeling that he was being accused of making things up. It is clear that Phoenix made errors, as it later accepted it had in fact received the package he sent. While it hasn't made a direct apology for this, it has apologised for the overall level of service it provided. I'd like to reassure Mr K his comments on this subject were taken into consideration in my provisional findings. I can only reiterate my finding that Phoenix's handling of the situation was poor, and caused significant upset and frustration to Mr K.

Lastly, I note Mr K feels the compensation recommended does not reflect the seriousness of either the whereabouts of his data or the language used against him, or address the angst he was put through. I do empathise with Mr K, and I again reassure him I have considered everything he has told us. The compensation (totalling £600) is in line with the type of award I would make in the circumstances, considering the level of impact he has suffered due to Phoenix's actions (or lack of). I've reviewed this again, but for the reasons given in my provisional decision, I find that the compensation offered is fair and reasonable, so I haven't found reason to require Phoenix to increase this.

My final decision

Phoenix Life Limited has already made an offer to pay £600 to settle the complaint and I think this offer is fair in all the circumstances.

So my final decision is that Phoenix Life Limited should pay the remaining £300 (as it has already paid £300 to Mr K).

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