

The complaint

Mr G has complained that National Savings & Investments (NS&I) delayed payment to him of the proceeds of a fixed interest savings certificate – which meant he lost out on the money he would have made from the investment he was planning.

What happened

In early 2021, two of Mr G's investments with NS&I matured. He gave instructions to NS&I to pay the proceeds to his bank account. A few days later, he received the proceeds of one investment – but not the second.

Mr G called NS&I who told him there was a security issue they had to address before releasing the money. When he checked again the following day, he still couldn't move the money. So he called NS&I again. The agent he spoke to said the matter should be resolved in 48 hours and they'd send an email to the relevant department to try and speed things up.

Mr G waited a further 48 hours but wasn't contacted by NS&I to try and resolve the security issue. So he complained. Before NS&I wrote to Mr G with their response, and almost seven weeks after he'd first request payment, the block was removed, allowing him access to his money.

NS&I responded to Mr G's complaint shortly after that. They explained transactions are randomly selected for security checks and this had happened in Mr G's case. And that, unfortunately, those checks hadn't been processed as quickly as usual because of the changes in their working practices necessitated by the Covid-19 pandemic.

But NS&I did acknowledge Mr G had been given an unrealistic expectation of when matters would be resolved by the agent who told him it would take 48 hours. They paid Mr G £40 compensation for this.

Mr G wasn't satisfied with NS&I's response and brought his complaint to us. He told us he'd tried to withdraw the money to make another investment – which he now couldn't do. And if he'd been able to make it, he'd have made around £1,800. So he thought NS&I should make good this loss and recognise stress and inconvenience by making a total payment of £2,000.

Our investigator contacted NS&I for their business file to help her decide whether they'd been fair in how they'd dealt with Mr G. When sending the file, NS&I offered a further £60 compensation, bringing the total payable to Mr G to £100.

The investigator reviewed the complaint and concluded the two payments totalling £100 were a fair resolution. She said we could only say NS&I should make a payment for Mr G's financial loss if they shouldn't have carried out the review and if their delay could have been avoided. As she couldn't say no checks should have been done, she concluded it wasn't fair to say NS&I should reimburse Mr G for what he says he's lost.

But the investigator did agree that NS&I's service could have been better and said £100 was a fair amount of compensation for that.

Mr G didn't agree with our investigator's view. So I've been asked to make 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 that, I'm upholding Mr G's complaint. But I'm not asking NS&I to do any more than they've already offered to resolve it. I'll explain why.

I understand Mr G was frustrated by the delay he encountered when he tried to access the proceeds of his fixed interest savings certificate – and why he thinks he should be compensated further. But – as our investigator explained – I can only decide NS&I should do more to resolve his complaint if I'm satisfied that NS&I did something wrong – and the impact on Mr G is the result of that mistake.

Financial businesses have a responsibility to make checks to ensure their customers' money is protected. Mr G has said that none of the circumstances NS&I set out in their terms and conditions applied to him. NS&I haven't disagreed with that. But they've explained that random checks are made, and Mr G's request was selected on that basis. Nothing I've seen suggests those checks were inappropriate. So I can't say it was unreasonable for NS&I to make them.

There's no dispute the security checks took longer than anticipated by either party. I agree. So I've thought about the impact those checks had on Mr G to decide whether NS&I have done enough to compensate him.

I've read the terms and conditions which applied to the account. They say that instructions received before 8pm on a banking day will be processed that day and payment will *normally* reach a customer's account two banking days later.

But the terms go on to explain that there may be occasions where NS&I don't carry out those instructions within that timeframe – for example, when they're making security checks. And, while NS&I say they'll unblock accounts as soon as possible, the terms don't contain any specific timescale for doing so.

I think the terms and conditions make clear there's no guarantee a payment request will be processed within a particular time. So, while I appreciate Mr G wanted to use the proceeds to make a particular investment, I don't think it's fair for me to say NS&I are responsible for him not being able to do that.

They didn't know what he wanted to do with his money when he requested a withdrawal. And when he told them, they did what they could to speed up the process. I don't think it's reasonable for me to say they should have done any more. So I'm not asking them to pay Mr G the amount he says he lost because he couldn't invest as he intended.

I've also thought about the level of compensation for distress and inconvenience that's been offered – which is now a total of £100. Mr G requested around £200.

I've thought about this. But I'm not persuaded I should direct NS&I to pay more. The documents I've seen show Mr G contacted NS&I by phone on three consecutive days. He then raised a complaint two days later. I've not seen anything which shows me he continued to chase the matter. Rather, it appears he waited for an answer to his complaint without contacting NS&I in the interim.

So – while I’ve no doubt that Mr G was inconvenienced by what happened – I haven’t seen anything to justify increasing the compensation NS&I have already offered.

My final decision

For the reasons I’ve explained, I’m upholding Mr G’s complaint about National Savings & Investments and directing them to pay him the further £60 they’ve offered (in addition to the £40 already paid) to resolve his complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr G to accept or reject my decision before 5 August 2022.

Helen Stacey
Ombudsman