

## **The complaint**

Mr A complains that National Savings and Investments (NS&I) failed to respond to his communications about repayment of a closed account.

## **What happened**

Mr A contacted NS&I about his closed account and it wrote to him in February 2023, and said his Ordinary Account is closed and it had moved any money into its Residual Account for safekeeping. It said it couldn't provide any further information without signed authority, but Mr A could obtain his money by sending a repayment form. Mr A returned the form but received no response. He said that despite contacting NS&I, by tweet, email and online chat, he couldn't get any further information. Mr A said NS&I had refused to help him.

NS&I said Mr A sent a request form which it traced to an old account with a balance of 10 pence. It said as the account was now closed, the money was transferred into the NS&I Residual Account with a different account number. It said it wrote to Mr A on 9 February 2023 that as his request form is unsigned, it couldn't disclose an account value at that stage.

Mr A completed the NS&I Residual Account repayment application form on 21 February 2023. However, NS&I said once the form was scanned onto its system, it was overlooked, and no further action was taken. NS&I offered Mr A compensation of £50 for its service failings and delays. Mr A wasn't satisfied with this and referred his complaint to our service.

Our investigator recommended the complaint be partially upheld. He said Mr A's account was dormant, so NS&I moved the funds to a Residual Account, but it didn't action Mr A's repayment form. He said Mr A used social media to get updates from NS&I, but its website states this isn't allowed for account requests, and so it wasn't responsible for any lack of update, or while Mr A's complaint was waiting to be allocated a complaint handler.

The investigator said Mr A's complaint email contained no identifiable information, but he then sent a reference number, which NS&I overlooked leading to a confused final response. He said that from NS&I's records in 1981 the account balance was 10p and remained so until it was closed due to dormancy in 2008, when it went to the Residual Account where it remained until paid to Mr A. He said there was no account activity for at least 42 years. He said for the impact of NS&I's mistakes on Mr A it should pay him £100 compensation.

Mr A wasn't satisfied with this response and requested an ombudsman review his complaint. He said the information he has been provided gave no dates. He said that every way he tried to gain information from NS&I was frustrated and he was met with a wall of silence.

## **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.

Mr A was frustrated by NS&I's mistakes and poor handling of his account request. I'm pleased that NS&I has apologised for its poor service, and I've looked closely at what took

place to see if there's more information available and to see if the compensation is fair and reasonable for the impact of the events on Mr A.

From NS&I's records I can see that Mr A's Ordinary Account was closed due to dormancy in 2008. I have seen NS&I's procedures with regard to dormant accounts and this is to transfer any account balance into a Residual Account. NS&I's policy is intended to protect funds as dormant accounts can be at risk of crime and I can see that it followed its policy correctly.

Unfortunately, when NS&I received the repayment request form from Mr A, it didn't follow up with any action. I can well understand Mr A's frustration when his follow-up communications by various means didn't elicit any meaningful response.

Mr A's communications by social media wouldn't have been successful in any event as this isn't a secure means to obtain account-specific information, and NS&I state this on its website. Having said that, NS&I could have made an effort to communicate with Mr A properly.

Mr A's initial emails also lacked information to enable his account to be identified, though I understand his reasons for this. NS&I couldn't identify Mr A's account at this point as he has a non-UK postcode which its system couldn't recognise. NS&I's response to Mr A's complaint took time, but was within the permitted timescale. However, its response caused Mr A more frustration as it requested that he provide personal information so his account could be identified on its system.

I can see that NS&I followed its procedures in requesting a signature to the relevant form where a customer wishes to obtain the account balance. I can see that Mr A responded by email on 17 April 2023, providing a reference number for the account for the first time. From this point NS&I had the information that meant it could trace Mr A and his account on its system. However, this important information from Mr A was overlooked by NS&I, leading to a further unhelpful and unspecific response to Mr A's complaint.

The investigator has sent Mr A evidence from NS&I to show the final balance of 10p on his account, alongside his Ordinary Account number. I'm sure Mr A is disappointed by his balance, but I'm satisfied this is accurate information.

Having considered the errors and poor communications by NS&I in terms of the impact on Mr A, and the unhappy saga of his attempts to gain information about his account and the effect it had on him, I agree with the investigator that £100 compensation is fair and reasonable compensation. This amount is consistent with other awards we have seen where consumers have had their time wasted and have been caused some stress by not being able to obtain the information they need.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is that the complaint is upheld in part. I require National Savings and Investments to pay Mr A £100 compensation for the distress and inconvenience he has been caused by its poor service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 26 December 2023.

Andrew Fraser  
**Ombudsman**