

## **The complaint**

Mr A complains he has had multiple issues with National Savings and Investments (NS&I).

## **What happened**

Mr A says that he contacted NS&I by phone to request them to merge his old premium bond numbers with his existing NS&I account. He says the only way NS&I told him he could do this is if he wrote them a letter, detailing all of the necessary information, and sent it to them. Mr A currently lives overseas, and he says he sent this by tracked delivery to NS&I, but he says he didn't receive a response, therefore he sent them another tracked letter in July 2023, but again, he didn't get a response from them.

Mr A says that a couple of months later he checked his NS&I online account and he noticed he had a winning bond, but when he checked his bank account, no payment had been made to his account. He says he also noticed that his regular standing order to NS&I had been refunded on the same day it had been debited. Mr A says he rang NS&I to find out what was happening, and they confirmed they received his letters. After 40 minutes on the phone they told him as he had an overseas address, he was told he'd have to post a letter showing his bank statements proving who he was, and then they would review it. Mr A asked them if he could email them the bank statement, but NS&I told them they were unable to accept this. Mr A made a complaint to NS&I as his account is effectively blocked, they won't accept his standing order, they won't accept emails, he's not received his winnings and he doesn't receive any letters they say they send him.

NS&I did not uphold Mr A's complaint. They said they previously wrote to him to ask him to provide information in relation to the source of the funds he had invested with them. As they did not receive a reply, they were required to apply restricted access to his savings. They apologised if correspondence had not been received by Mr A, but they said once an item of mail has left their office, it is in the hands of the postal service in both the UK and the destination country, to ensure its safe delivery.

NS&I said there will be restricted access to his savings until he can provide the requested information and they applied a security marker which prevents him from accessing the bond, therefore his requests have not yet been completed. They said once they receive information in relation to the source of his funds, the extra layer of security will be removed from his account and his requests will then be processed. They confirmed they were unable to correspond by email, due to their infrastructure. Mr A brought his complaint to our service.

Our investigator said NS&I communicated with Mr A on 27 February, 13 March, 28 April and 3 August 2023, with further letters later sent in September, and October 2023 as it was believed the prior letter may not have reached him. She said based on NS&I's current requirements, they've confirmed they need further information from Mr A to be able to operate the account. She said once the information they requested has been received, they will be able to discuss prize winnings, the standing order, and the merging of the bonds.

Mr A asked for an ombudsman to review his complaint. He made a number of points. In summary, he said he sent them two letters, but they weren't confirmed to him until he spoke

to NS&I on the phone in September 2023. He said as none of the letters NS&I sent to him were delivered to his address, he was unaware of the existence of these letters until his September 2023 phone call, and any regulatory changes, so he had no idea what was happening to his account for seven months since he sent the initial letter, until his September call.

Mr A said he still hasn't had a step by step letter with what he needed to do. Mr A raised points about his calls in October 2023, and the bank statement he sent NS&I. He copied our service into a 2 December 2023 email he sent NS&I which referred to emails he sent them on 26 October, 1 November and 20 November 2023.

NS&I offered £50 compensation to Mr A because a letter they sent him dated 26 September 2023 had a corrupted first line of address. Mr A rejected this and wanted an ombudsman to review his complaint.

### **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.

Firstly, I'm aware that I've only summarised Mr A's complaint points. And I'm not going to respond to every single point made by him. No discourtesy is intended by this. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is a fair outcome.

Mr A has raised additional complaint points which occurred after he made his complaint to NS&I which I'm unable to address as part of this complaint, such as details about the bank statement he sent them, emails to NS&I between October-December 2023. And his phone conversation with them on 30 January 2024. But here, I'm only able to address the complaint that Mr A originally made. This is because NS&I need the opportunity to reply to the further points before Mr A might be able to bring these to our service if he is unhappy with their response. But as Mr A says he hasn't received correspondence from NS&I, I will ask our investigator to forward him on their letter dated 19 October 2023, which sets out what they require from Mr A.

I'd like to explain to Mr A that it is not within this service's remit to tell a business how they should run their procedures, such as how they should accept documents from customers (post and not email) or how they send letters to him (whether these are sent by normal post or tracked/signed for). It would be the role of the regulator – the Financial Conduct Authority, who have the power to instruct NS&I to make changes to their policies and procedures, if necessary.

NS&I have certain regulations they need to follow and information they need from their customer. In some circumstances, they may need to suspend an account which can result in Mr A being unable to do what he wants NS&I to do, such as accept his standing order, receive his prizes, and merge his premium bonds so they all show on his online account. The terms which Mr A would have needed to agree to would allow NS&I to take this action, so I'm unable to say NS&I have acted unfairly by taking the actions that they did.

I can also sympathise with the position Mr A found himself in. As he had wrote letters to NS&I which he knew they received based on him tracking those letters and seeing that they have been received. So he's thought that NS&I have ignored these letters. And I can understand from his perspective why he's felt that way when he hasn't received post from NS&I.

NS&I have forwarded some of these letters to our service. On the September 2023 letter this also references the letters they sent Mr A on 27 February 2023 and 28 April 2023. I don't doubt what Mr A has said about not receiving any letters from NS&I, as the 26 September 2023 letter has a corrupted first line of the address. So it's possible he wouldn't receive this even though the rest of the address is correct. I can see his October 2023 letter matches the address that he gave to our service. So I'd be unable to hold them responsible for the non-delivery of letters once they leave their offices as this would be out of their control – provided they included the correct address.

But I do hope that the letter I've asked our investigator to forward on to Mr A will help him be in an informed position of what NS&I need from him. They have also told us that they need a witnessed signature from Mr A (which they requested on 13 March 2023), and he will need to ensure both sets of holdings have the same address to be amalgamated. NS&I have said the bank statement needs to be an original bank statement no more than three months old. And they are unable to accept a scanned copy of the bank statement. I appreciate Mr A may not get paper copies sent to him, but he should be able to request a paper copy from his bank to be sent to him, which he can forward to NS&I.

So I've considered what would be a fair outcome for this complaint. It's very unfortunate that Mr A didn't receive the correspondence NS&I say they've sent him as they all haven't shown a corrupted first line of his address. I'd be unable to ask NS&I to remove the restrictions on his account without them receiving all of the information they've asked for. Hopefully the previous paragraph helps Mr A out in terms of what is outstanding. NS&I offered £50 compensation for the error in September's letter with the first line of the address. I'm satisfied that this is proportionate as they sent out the letter again with the correct address around three weeks after this. So it follows I'll be asking NS&I to pay Mr A £50.

### **Putting things right**

NS&I have suggested they pay Mr A £50 compensation for the distorted address in their 26 September 2023 letter, which I think is reasonable in the circumstances.

### **My final decision**

I uphold this complaint in part. National Savings and Investments should pay Mr A £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 13 March 2024.

Gregory Sloanes  
**Ombudsman**