

The complaint

Mrs C complains that National Savings and Investments (NS&I) do not recognise a Premium Bond account number in her name.

What happened

Mrs C says that her parents gave her a Premium Bond certificate in her birth name, and she sent NS&I a change of name details in July 2023, but NS&I's customer service team would not trace it for her. She received a letter to say that the account number did not lead to any active holdings. Mrs C rang NS&I who told her to write in asking if they could look into this further, which she did, but NS&I asked her for her signature as this wasn't provided on her letter. Mrs C rang NS&I who said they were waiting for a copy of the signature. Mrs C was then sent a letter from NS&I to say the account number was invalid, so she rang them again, but the call handler couldn't see they received her signature. Mrs C made a complaint to NS&I.

NS&I did not uphold Mrs C's complaint. They said unless a customer is registered for their online and phone service and has an active password, their representatives are limited to the information they can provide. They said their records show that correspondence has been sent to her following her most recent correspondence advising that they have not been able to locate an account. NS&I said after conducting a search with the details Mrs C provided, she had located an account, however this was not in her name. NS&I said if Mrs C's parents believe this could be someone else's account then they would require the account holder to write to them. Mrs C brought her complaint to our service.

Our investigator partially upheld Mrs C's complaint. She said NS&I have now confirmed that the account does not exist. She said the communication and customer service provided to Mrs C was poor and made the situation worse rather than providing clarity. She said due to NS&I's responsibility under Records Management and associated legislation which require the destruction of data to ensure that records are kept no longer than necessary, NS&I have confirmed that they will retain details of transactions for six years following the end of the relationship with the customer, therefore they can only confirm that it must have been cashed in more than six years ago.

Our investigator said that due to the distress and inconvenience that this poor communication and poor service caused Mrs C, she felt NS&I should pay Mrs C £150 compensation.

Mrs C asked for an ombudsman to review her complaint. She made a number of points. In summary, she said her parents have confirmed they never cashed in the Premium Bond(s), the certificates themselves were stored in an envelope in her father's office. She said if the six year rule applied, then this would effectively mean that every bond over six years of age would be worthless, and she said the existence of the original certificates would be taken as proof they were not cashed in. She said NS&I had ignored emails her mother sent them.

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.

Mrs C has made a number of points to this service, and I've considered and read everything she's said and sent us. But, in line with this service's role as a quick and informal body I'll be focusing on the crux of her complaint in deciding what's fair and reasonable here.

I must make Mrs C aware that I'm only able to look at the original complaint she made to NS&I. I'm aware that Mrs C has said that NS&I have ignored emails that her mother has sent them, but as this was not part of her original complaint, I'm unable to look into this as part of this complaint.

I've looked at the Premium Bond holders card that Mrs C had sent NS&I. This document was produced by NS&I. But while Mrs C is in the possession of this card (and she says the certificates themselves were stored in an envelope in her father's office, this is not proof that the account still has funds in the account. It simply shows that at a point in time the account was opened, and a Premium Bond holders card was issued.

I have thought about what I would expect NS&I to do in these circumstances and if they have treated Mrs C fairly in their investigation, but I don't think they have (which I will move onto later in this decision). They took the available information from her, and they conducted a search of their systems. But due to the time that's passed, NS&I aren't able to provide any more information about this account apart from the account doesn't exist.

On the balance of probabilities, I'm persuaded it's likely this account was closed down. I say this because I've seen the various different system searches that NS&I have attempted to try and locate holdings in Mrs C's name. These include searching for the account number itself (the system shows this account doesn't exist), they have searched by Mrs C's original surname and her date of birth (and no records are shown), they have searched with her surname and old postcode (and it doesn't come up with her name), and they have even tried searching under her new name and new postcode (no results found).

So based on NS&I's responsibility under Records Management and associated legislation which requires the destruction of data to ensure that records are kept no longer than necessary, and with NS&I confirming that they will retain details of transactions for six years following the end of the relationship with the customer, then I'm persuaded the bond was cashed in over six years ago.

I've considered what Mrs C has said about that every bond over six years of age would be worthless. But I'm not persuaded by this. I say this because NS&I confirmed they will retain details of transactions following the end of the relationship with the customer. So if this account was active, it would show as such on their systems as the relationship with their customer wouldn't have ended. But as the relationship appears to have ended over six years ago with Mrs C then this is why they don't hold details of when the account was cashed in.

I've considered what Mrs C has said about the existence of the original certificates would be taken as proof they were not cashed in. But NS&I don't require the certificates in order to cash in the funds from the account. This has been confirmed by NS&I as they've told us a customer could have also withdrawn the funds through a cash in form, or previously a form at the post office without producing the certificate. So evidence of certificates is not evidence of an open/active account.

While I'm persuaded the account doesn't exist, I do think that NS&I let Mrs C down on a

number of occasions. And their response to her complaint led her to believe that the account was open. So it would have been distressing for her for NS&I to say there was no active account, despite NS&I telling her there was.

The service from the call handlers also inconvenienced Mrs C. She was given the impression that the account could belong to other family members (despite the account not being active). Mrs C had sent NS&I her signature and call handlers weren't able to locate this which further led to delays. Mrs C tried to raise a complaint and she wasn't able to. She was transferred between different call handlers without being able to register a complaint, and she was further inconvenienced to have to ring NS&I back at a later date to do this.

So I've considered what would be a fair outcome for this complaint. While I can't conclude the account is open, I'm persuaded that due to the distress and inconvenience that Mrs C has had with conflicting/incorrect information, delays, and having to keep ringing NS&I to chase things up/try to get to the bottom of what happened to the account, then NS&I should pay Mrs C £150 compensation for distress and inconvenience. So it follows I'll be asking NS&I to put things right for Mrs C.

Putting things right

Our investigator has suggested that NS&I pays Mrs C £150 compensation for distress and inconvenience, which I think is reasonable in the circumstances.

My final decision

I uphold this complaint in part. National Savings and Investments should pay Mrs C £150 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 18 April 2024.

Gregory Sloanes
Ombudsman