

## **The complaint**

Miss G has complained that National Savings and Investments (NS&I) didn't allocate Premium Bonds correctly when she purchased Premium Bonds for her young relatives.

## **What happened**

Miss G purchased Premium Bonds on 23 November 2022 for a great niece and great nephew. Miss G also purchased more Premium Bonds on 1 May 2023.

Unfortunately, as Miss G entered the incorrect address for her relatives on some of the purchases, this led to the Premium Bonds being purchased, but being recorded at the wrong address for her relatives. This resulted in her nephew being unable to see them when he logged into his children's Premium Bond accounts.

Miss G says she contacted her nephew (the parent) in May 2023 to check that the Premium Bonds had been added to the relevant accounts, but her nephew could only see one of the Premium Bond purchases.

Miss G complained to NS&I, but as Miss G did not have parental responsibility for her relatives, NS&I said it was unable to disclose details of their accounts to her. Unhappy with its response Miss G has referred her complaint to this service. After our involvement, NS&I offered to pay Miss G £125 compensation. One of our investigators explained the offer to Miss G, but she didn't think the compensation was sufficient.

The investigator then assessed the complaint further and concluded that although Miss G's error had caused the issues, they thought that NS&I should've done more to resolve matters when Miss G complained. So they recommended that NS&I pay Miss G £300 compensation.

Miss G accepted the investigator's findings, but NS&I didn't. NS&I felt that £300 compensation was excessive when the difficulties faced by Miss G were caused by her providing the wrong address for her relatives. NS&I says it had written to Miss G to confirm that the Premium Bond purchases had been successful on each occasion. It also questioned why the investigator felt that £300 compensation was warranted, when the investigator had only recommended £125 compensation when assessing the nephew's complaint about NS&I's handling of his children's Premium Bond accounts.

As this complaint only concerns Miss G's aspect of the complaint, this decision won't be addressing any aspect of the how the Premium Bond accounts were handled.

I issued a provisional decision on 18 April 2024, explaining why I thought that the £125 offered by NS&I was reasonable. I have included an extract of my provisional decision below, and it forms a part of this decision.

### ***"What I've provisionally 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 reviewed everything, I currently think that the £125 originally offered by NS&I is fair and reasonable in the circumstances. I will explain why.*

*Firstly, in terms of acting on Miss G's instructions to purchase Premium Bonds for her young relatives, NS&I did act on the instructions correctly – the Premium Bonds were purchased when she made the payment. I can also see that when Miss G did this, NS&I sent Miss G confirmation that the purchases had been successful. Therefore, I'm satisfied that NS&I did what it needed to do to act on Miss G's instructions.*

*I recognise that the issues started when Miss G checked with her nephew in May 2023 to see if the Premium Bonds were showing in the accounts and he said he couldn't see them. However, it would've been for the account holders, or in this case the parents of the children who owned the Premium Bonds, to raise this matter with NS&I – not Miss G. This is because NS&I is unable to disclose the details of the Premium Bond accounts to third parties – and that's the case even though Miss G is the one who made the purchases for her relatives.*

*Therefore, I can't say that NS&I has acted unfairly or unreasonably by responding to Miss G's complaint saying that it can't divulge information about her great niece and great nephews account to her.*

*In this case, I can see that the investigator felt that increased compensation should be awarded to Miss G because she says that NS&I should've explained to Miss G that the funds were in the relevant account and that her nephew would need to get in contact to be able to resolve matters as to why they were not appearing in the accounts. However, when responding to the complaint on 18 August 2023, NS&I did say that it would only be able to release information about the accounts to either the account holder, or their authorised or legal representative. So I think that NS&I had made it clear that Miss G's nephew would need to get in contact further if he wanted to know why the Premium Bonds that had been purchased were not showing in his children's accounts correctly.*

*As such, I acknowledge that Miss G may've experienced some distress and inconvenience by not being given any information prior to NS&I's final response letter. But I think the final response letter made it reasonably clear that Miss G's nephew would need to get in contact if he wanted the matter looked into further, as NS&I was unable to discuss the details of the Premium bond accounts with Miss G.*

*In the circumstances, I recognise that this matter was clearly frustrating for Miss G. But I also think it would be unfair to say that NS&I should pay her further compensation because Miss G kept contacting NS&I about a matter that it had already explained (in the final response letter) it was unable to discuss in any detail with her about.*

*I also note that the investigator felt that more compensation was warranted for Miss G because of how long it took for NS&I to resolve matters (in terms of reconciling the address on all of the Premium Bond accounts). However, I don't think it would be appropriate to award compensation for any delay Miss G's nephew may've faced in reconciling the Premium Bond accounts, as that was a matter for Miss G's nephew to resolve with NS&I (which is subject to a separate complaint).*

*Therefore, from what I have seen I currently think that the £125 offered by NS&I is fair and reasonable. I say this especially as this compensation is specifically only for*

*Miss G's complaint. This does not reflect any distress or inconvenience that Miss G's nephew may've experienced in trying to get the addresses updated on his children's Premium Bond accounts.*

### **Putting matters right**

*Because of the reasons given above, I'm currently minded to say that NS&I should pay Miss G £125."*

NS&I responded and accepted my provisional decision. Miss G responded and in summary, she said that she'd entered the incorrect address for her great niece and great nephew in December 2020 and was corrected by February 2021. Miss G says that it was only in November 2022 that the Premium Bonds went missing and says that they didn't go missing due to an incorrect address being entered when she purchased them.

Miss G also says that her nephew did get in touch with NS&I but was told that the matter had been resolved – even though the Premium Bonds were still not showing up in his son and daughter's account.

### **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 reconsidered everything, including Miss G's response to my provisional decision, I remain of the view that the £125 compensation offered by NS&I is fair and reasonable.

In terms of Miss G's comments about the address being incorrect, I can confirm that the reason why her nephew could not see the Premium Bonds that she'd purchased in November 2022 was due to an incorrect address being recorded for her great nephew and her nephew. I understand this resulted in the Premium Bonds being purchased, but with multiple profiles with differing address being set up.

Whether this was because the incorrect address information Miss G says she provided in 2020 had not been rectified, or because she'd provided the same incorrect address again when making the additional purchases in 2022, I can't say for sure, based on the evidence I have been provided with on this complaint. Although given that Miss G says that the incorrect address had been amended in 2021, this would suggest the latter had occurred. But either way, this complaint solely concerns how Miss G was affected by this matter. I can't comment on, or award compensation for the way NS&I handled the rectifying of the incorrect addresses on her great nephew and great niece's Premium Bond accounts here, because that matter is the subject of a separate complaint.

Miss G has also commented about the difficulties that her nephew and his wife faced in trying to get matters rectified. I'm sorry to hear about this, but I've already explained in the provisional decision that this complaint and the compensation that has been offered in this complaint is specifically only for Miss G's involvement. The compensation offered on this complaint does not reflect any distress or inconvenience that Miss G's nephew (or his wife) may've experienced in trying to get the addresses updated on his children's Premium Bond accounts. That is the subject of a separate complaint and is not something I have considered here.

Miss G says that if it were not for her checking with her nephew, then he might still not be able to access the Premium Bonds that she'd purchased for his children. However, although that may well be the case, I don't think that means that NS&I should pay more compensation

to Miss G. I can only award compensation for what did happen, rather than for what might've happened had events unfolded differently.

So in summary, I still think for the reasons outlined in my provisional decision that the £125 NS&I offered to pay Miss G for the distress and inconvenience she'd faced, when the Premium Bond's she'd purchased could not be located, is fair and reasonable.

### **Putting things right**

To put matters right, NS&I needs to pay Miss G £125 for the distress and inconvenience caused to her by this matter.

### **My final decision**

Because of the reasons given above and in my provisional decision, I uphold this complaint and require National Savings and Investments to do what I have outlined above, to put matters right in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 21 May 2024.

Thomas White  
**Ombudsman**