

The complaint

The estate of Mrs W complains National Savings and Investments (NS&I) didn't assist her in recovering a payment.

This is the estate's complaint but for ease of read, I will refer to its representative. As this is a small estate, that's Miss W's daughter. Also known by the same initial.

What happened

A summary of what happened is below.

Mrs W sadly passed away. Her daughter, Miss W contacted NS&I about her late mother's holdings. NS&I reviewed matters and located them. Miss W completed the necessary paperwork, which included details of the account she wanted the money paid into. A payment was sent on 16 November 2022.

Miss W later called to enquire what had happened to the payment she was expecting but had not received. During this call, it was established that the account details provided on the death of a holder form were not correct.

Unfortunately, the payment landed in the account of a third-party at a different bank.

NS&I sent a message to its bereavement team about this and said it would be in touch. On 13 December 2022, it confirmed when the payment had been made, and said that it "trusted she could now reconcile the payment".

Miss W contacted NS&I again, with the account details of where the payment should have gone. NS&I told Miss W that she should check with the bank that had got her money – she did this but also went back to NS&I, as she didn't believe it was doing enough to help her get the funds back.

On 11 January, after a further chaser from Miss W, NS&I instigated a credit recovery process to see if it could get her money back. It explained that it could take up to 30 days to get an outcome. Worried about the situation, Miss W chased NS&I about this, believing its overall customer service and sense of urgency was poor. The receiving bank told Miss W that it required a payment reference from her which she could get from NS&I.

A letter was sent on 23 February 2023 to let Miss W know the unsuccessful outcome of the recovery attempt.

Unhappy with the fact that she didn't have the funds and how NS&I had not helped her, Miss W raised a complaint. NS&I issued a response in March, setting out the following:

- It had sent the payment to the account details Miss W had provided. The form said that she should carefully check the account information to ensure it was correct.
- Miss W had contacted it in December when the missing payment and wrong account details came to light.

- It had tried to help, contacting its bereavement team and suggesting she contact the receiving bank as the funds hadn't been returned to it.
- Overall, it didn't think it had made a mistake.

Dissatisfied with this, Miss W referred the complaint to us in November 2023. She expressed a number of concerns about how it had handled her complaint. She and NS&I provided their submissions. Miss W said she'd identified who had had her money – they'd agreed to return it but then they had gone quiet. NS&I said it wanted to help Miss W locate the funds and accepted it should have been more helpful in providing information.

One of our investigators took a look into what had happened. In summary, she agreed NS&I should have been more proactive in assisting Miss W, but she didn't think it would have made a difference in the overall outcome of her getting her money back. As Miss W knew who had her funds. Miss W didn't agree with the outcome. She said she wanted an ombudsman to take a look. So, it's come to me as the second and final stage of our process.

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.

It's clear Mr W feels strongly about what's happened. I've read and considered everything she's said. As an informal dispute resolution service, we are tasked with reaching a fair and reasonable conclusion with the minimum of formality. In doing so, it is not necessary for me to respond to every point made, but to concentrate on the crux of the issue.

My findings are below:

- I've checked with NS&I to see if the discrepancy in the account information could have reasonably come to light before the payment was sent but it's confirmed it doesn't use Confirmation of Payee. This is a system which checks the account holders name to the account number and sort code. Confirmation of Payee doesn't apply to NS&I as it doesn't provide payment accounts. It provides savings accounts but these aren't the same thing. Miss W gave NS&I the account details to send the payment. So, it was her responsibility to check they were correct. The form she completed also made that clear. Here the account number and sort code were valid.
- From what I've seen, NS&I delayed raising a credit recovery process. Miss W had been in touch with it, but it didn't instigate the process until 11 January. This was poor service when thinking about good industry practice and helping customers. However, I've thought about this and the wider circumstances at play. And, whilst I recognise there were shortcomings, I don't think this would have affected the outcome in Miss W getting her money back. Because ultimately NS&I doesn't have it – someone else does. I've also seen information in confidence that suggests most of the money was no longer available by the time the issue came to light.
- I referenced the wider circumstances, because I must weigh up everything to decide how a complaint should be best resolved. Here, Miss W knows who has the money - she has had some engagement with them. I must stress that this is a material point. I realise they have been uncooperative latterly but knowing who they are, enables her to take steps to recover the funds from them.
- In closing, I recognise NS&I's initial inaction caused Miss W some difficulties as a result of the unnecessary back and forth with it. But I think a large proportion of these

difficulties were in my view as a result of her not having her money, which someone else did. Miss W also raised concerns about how the complaint was handled. But as complaint handling isn't in itself a financial service, it isn't something this service can consider. So, having weighed everything, I'm not going to require NS&I to do anymore.

I'm sorry this isn't the answer Miss W was hoping for, but this completes my consideration of this complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs W to accept or reject my decision before 9 December 2024.

Sarita Taylor
Ombudsman