

The complaint

Miss S complains National Savings and Investments (NS&I) altered details related to her nominated premium bond account, cut her off twice when she was speaking on the telephone and did not provide statements online.

What happened

I sent the parties a provisional decision in March 2024, in which I set out the following background information to the complaint and my provisional findings, as follows:

Miss S explained she logged on to her online NS&I portfolio and changed the nominated account for Premium Bond prizes from an external bank account to her NS&I savings account.

About a month later she logged onto her NS&I portfolio again and noticed the nominated account number had been changed from her savings account number to an account number she did not recognise.

She changed the details back to her saving account and contacted NS&I by telephone the next day as she thought this change was likely to have been due to fraudulent access to her accounts.

The call handler raised the issue as possible fraud. Miss S asked whether she would be able to withdraw money from her account within a few days, as she had planned. The adviser said she wouldn't be able to until the fraud team had looked into the issues she had raised.

NS&I called Miss S back approximately five days after she had discovered the issue and explained there had not been an error and the account number is a generic one it used to transfer money to her NS&I savings account. NS&I explained this was normal for the situation.

Miss S explained she has a disability and suffered extreme anxiety and panic to the extent she required medical help as she thought her accounts had been hacked. She explained NS&I should have taken appropriate steps to ensure it considered the impact of this process on vulnerable customers in line with the Equality Act 2010.

Miss S explained, due to the severe effect this had on her, she wants £1,500 compensation for this distress and inconvenience.

NS&I explained in its final response the account number Miss S saw online was correct, and explained it automatically changed the account number from the one she had provided to a generic sort code and account number. It explained her savings account number is referenced so payments can be allocated to her savings account. It said this was NS&I's normal process and confirmed no fraudulent transactions had taken place.

NS&I accepted it had not informed Miss S of this and did not tell her it was its normal process when she first contacted them. NS&I also apologised for cutting her off and

explained there had been technical issues for a short period of time preventing some customers from viewing their accounts online. NS&I said this had now been resolved and Miss S should be able to view her documents online. NS&I offered Miss S £125 compensation for its poor service.

Miss S replied to this final response explaining she still couldn't access her statements online; NS&I looked into this issue and discovered her preferences were set to receive paper statements. NS&I said it could change this setting if Miss S would now like to receive statements online.

NS&I also wrote to Miss S explaining it would consider any requests she had for new adjustments to meet her needs and offered to agree such adjustments with her on an individual basis.

Our investigator said they thought NS&I were following its normal business process, acted in line with its terms and conditions when they changed the account number, and there was no error on its part. They thought NS&I's offer to pay £125 compensation for the distress caused was fair.

Miss S disagreed with our investigator's recommendation, explaining she had not considered the Equality Act and reiterated NS&I should have anticipated the impact of changing account details on disabled customers without explaining or telling them.

It has therefore been passed to me to make a final decision.

My provisional findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

There are three parts to Miss S's complaint, and I will deal with each one in turn.

Firstly, I am satisfied it is normal practise for NS&I to use generic account numbers when customers have transfer arrangements such as Miss S had. I don't think it is unreasonable for this to happen, and it is not unusual for such intermediary accounts to be used in the financial industry.

I can understand why Miss S, not knowing this, would have been distressed and worried when she saw an account number she did not recognise for her Premium Bond prize winning online.

Upon discovering what she thought was an incorrect account number, Miss S took the reasonable step of changing the account number back to her savings account number and reported the issue to NS&I the next day.

NS&I therefore had the opportunity to deal with Miss S's concerns straightaway and explain why the account number was showing, this was normal and no fraud had happened on her account.

However, NS&I did not do this, and having listened to the telephone conversation between Miss S and NS&I's adviser, I think NS&I arguably exacerbated her reasonable concerns by raising the issue as potential fraud and explaining she would not be able to withdraw the funds she had intended to.

In summary, I do not think this should have happened and NS&I should have taken this

opportunity to reassure her rather than worry her further.

Whilst the actions were not a mistake or failure by NS&I, it did fail to explain to her at the earliest opportunity what had happened, and she was left unsure of the risk to her NS&I accounts for approximately five days.

Miss S has claimed NS&I have breached the Equality Act 2010, by failing to anticipate the impact of its actions when changing her account details online. I've taken the Equality Act 2010 into account when making my final decision on this complaint, as it is relevant law, but my role is to decide what is reasonable and fair. Only a court can decide whether the Equality Act has been breached.

I appreciate the impact Miss S has explained this had on her, but I am also mindful it is not always possible for businesses to foresee every possible impact of each element of their operation on every customer. For the reasons highlighted above, I don't think this issue was so obvious to have warranted consideration under the Equality Act.

However, I would expect a business to carefully consider the impact and to make reasonable adjustments once they are told about the issues.

I can also see NS&I have offered to discuss adjustments with Miss S, explaining it would agree individual adjustments to meet her needs. I think this is a reasonable and fair offer from NS&I and in line with what I would expect.

Taking the above into consideration, I think this was a one-off event, which has now been resolved, where Miss S suffered some distress for a matter of days. As I have said, I can understand why this caused Miss S distress for the five days she had to wait for an explanation.

I therefore partly uphold this element of Miss S's complaint. I think it is reasonable for NS&I to pay £100 compensation for the impact of this short, but clearly significant and avoidable period of distress to Miss S. This is in line with compensation I have seen awarded for similar complaints.

The second part of Miss S's complaint is regarding not being able to view her statements. I can see this would have been frustrating to her. It also appears the final response letter was unhelpful and inaccurate, and it took further contact from Miss S to resolve this issue.

Following this further approach from Miss S, it appears the reason for the statement not being online was due to Miss S having a preference for NS&I to send her paper statements. Again, I therefore think NS&I could have resolved this matter more quickly for her, and therefore uphold this element of the complaint.

Finally, I note NS&I have accepted they should have provided a better service and not cut Miss S off when she telephoned on two occasions.

As NS&I have accepted this part of her complaint and have apologised, I therefore uphold this part of the complaint.

In terms of these last two issues, whilst both are frustrating and have caused obvious inconvenience insofar as Miss S has had to re-contact NS&I, they do not appear to have been a prolonged issue and Miss S has not said she has suffered any financial losses because of this.

I note NS&I have agreed to a combined compensation of £125 for this inconvenience.

My provisional decision and the parties' responses

I provisionally decided to partially uphold this complaint and thought NS&I should pay Miss S a total of £225 compensation.

NS&I did not respond to the provisional decision. Miss S did respond, stating she did not have any more information or final points to make.

Having reconsidered the issues in this complaint, I remain of the view that my provisional decision was the fair and reasonable response to what happened to Miss S.

My final decision

For the reasons I have given it is my final decision that the complaint is partially upheld. I require National Savings and Investments to pay Miss S £225 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 28 May 2024.

Gareth Jones
Ombudsman