

The complaint

Mr N has complained that National Savings & Investments ("NS&I") has been unable to give him a clear explanation about what happened to the proceeds of a Warrant for £4,500 that had been issued in September 2001.

To resolve the complaint Mr N would like to be paid £4,500.

What happened

In 2023, Mr N found a Warrant, issued on 14 September 2001 for £4,500 that had been drawn on a savings account he held with NS&I.

In June 2023 Mr N filled out a 'Request To Trace Dormant Savings or Investments' form and sent it to NS&I to locate the savings account that the warrant was drawn on.

In July 2023, NS&I explained to Mr N that the savings account in question had been closed. Following further correspondence from Mr N, NS&I wrote to Mr N in September 2023 explaining that the savings account in question had been previously repaid. NS&I then wrote to Mr N in November 2023 explaining it had changed its banking systems in 2004, and said that the starting balance of the account at the point of migration didn't include the £4,500. So NS&I assumed that the warrant had been reissued and then later cashed in.

NS&I said that, as it no longer holds records it can only confirm that the £4,500 is no longer in the account.

Unhappy with NS&I's explanation, Mr N raised a complaint. NS&I issued its final response to the complaint on 4 November 2024. NS&I confirmed that the account in question was closed on 20 March 2009 and there were no outstanding amounts left in the account to be paid out to Mr N.

NS&I did however apologise for the responses Mr N had received and paid Mr N £150 for the uncertainty and inconvenience caused to him by its unclear responses.

As Mr N was unhappy with NS&I's response to his complaint, he referred the complaint to this service. Once he did that, NS&I told this service that Mr N had complained outside of the time limits that apply when using this service.

One of our investigators assessed the complaint, and they concluded that the complaint was raised outside of the time limits and so wasn't one this service could consider.

As Mr N didn't accept the investigator's assessment, the matter was referred for an ombudsman's decision.

I issued a provisional decision on 10 April 2025 explaining why I was minded to say that this is a complaint that this service is able to consider. As NS&I didn't respond to my provisional decision by the deadline provided, I have proceeded on the basis that this service is able to consider this complaint.

In the provisional decision, I also explained why I didn't think the complaint should be upheld. Below, I have included an extract of my provisional decision explaining why I didn't think the complaint should be upheld and it forms a part of this decision.

"Why I don't intend to uphold the complaint

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

The basis of Mr N's complaint is that he found a Warrant issued on 14 September 2001 for £4,500. Mr N believes that NS&I should pay him the money that is stated on the Warrant.

Before I address the evidence that has been provided, I think it may help to explain that a Warrant acts in a similar way to a cheque. So in this case, essentially a 'cheque' had been issued for £4,500 on 14 September 2001, and that cheque was drawn on Mr N's NS&I savings account. So if the Warrant in question was successfully presented for payment, this would mean the money would then be taken out of Mr N's savings account.

However, the Warrant was only valid for a short period of time, as it says on the Warrant that:

"It should be presented for payment within one month of the date shown on the Warrant otherwise it should be returned to this office for redating"

In this case, the Warrant was issued on 14 September 2001 and so Mr N only had until 14 October 2001 in which to present the Warrant for payment, before it lapsed. Having considered all of the evidence, it's clear that Mr N never presented the Warrant for payment within the 1-month window that he had to do it in. I say this for three reasons.

Firstly, Mr N says he only recently found the Warrant in a drawer at home, where he says it'd been filed away incorrectly. So it's clearly just been sat in a drawer for many years.

Secondly, the Warrant has a section on it that needs to be filled out by the cashier when it is presented for payment. But that section of the Warrant has been left blank. This, to me, is strong evidence that Mr N had never presented it for payment (at least not prior to 2023). Also, the fact he still has the Warrant is also evidence that he'd not presented it for payment (as presumably it would have been kept by the cashier, had he done so).

Thirdly, NS&I has provided a ledger of the savings account that the money would've been taken from, had the Warrant been presented for payment. The ledger shows that the balance of the account was £11,637.94 on 30 August 2001 i.e. before the

Warrant had been issued. And, after £80 had been paid into the account on 7 December 2001 i.e. after the Warrant had lapsed, the balance was then £11,717.94. It's clear from this ledger, that the money that the Warrant had been drawn up for had never left N's account.

So, from everything I have seen, I'm satisfied that, as Mr N had not presented the Warrant for payment within 1 month of it being issued, the Warrant lapsed and the money remained in his savings account.

When NS&I responded to Mr N, he questioned the whereabouts of the £4,500. But I can see on the ledger that further transactions occurred on Mr N's savings account, since the Warrant expired. So, it would seem that the £4,500 that the Warrant had originally been drawn up for was eventually paid out to Mr N, under subsequent transactions on the account.

Therefore, based on what I have seen, it seems that Mr N has found what is essentially a very old, out of date, uncashed 'cheque', that has been drawn on account that no longer has any money in it and in fact, has not existed for many years. This means that, if Mr N's actions in 2023 were him 'presenting the Warrant for payment', then I'm satisfied that NS&I's refusal to pay Mr N the money stated on the Warrant was the correct course of action.

When Mr N queried the existence of the Warrant and whether any money was left in the associated savings account, it seems that NS&I did give him conflicting answers. So I can understand why he may have questioned the answers he was being given. But NS&I apologised for the uncertainty caused by the answers it gave to his questions and paid Mr N £150 compensation for the inconvenience caused to him. And it has provided evidence that the account was closed in 2009 and the closing balance of the account was paid out to Mr N under a BACS payment.

Because of these reasons, I don't currently think that NS&I needs to do anything further in relation to this complaint."

After I issued my provisional decision, Mr N responded, but NS&I didn't.

Mr N said that he'd asked for historic bank statements from his current account provider, so asked for more time to provide them so they could be considered by me. He also asked to see the ledgers for the savings account that the Warrant was drawn on. The investigator responded on my behalf and provided a copy of the ledger that NS&I had sent to this service. They also explained that Mr N needed to provide any further information he would like me to consider by 30 April 2025.

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 this complaint, I remain of the view that the complaint should not be upheld.

As I explained in my provisional decision, the Warrant that Mr N has found is essentially an expired cheque that is drawn on an account that no longer exists and the money in that account had been paid out to Mr N many years ago.

The ledgers NS&I have provided show that the money the Warrant was drawn up for remained in Mr N's NS&I account past the date the Warrant expired. I can see that Mr N made subsequent transactions on the account, and the account was then subsequently closed, and the closing balance was paid to Mr N. So, I'm satisfied that NS&I's refusal to pay out the proceeds of the Warrant was correct.

In his response to the provisional decision, Mr N wanted more time to obtain historic bank statements from his current account provided at the time. I did consider whether further time should be given to Mr N to provide those statements. But in this case, I didn't think that was necessary as I can't see how the statements would change anything.

I say this because firstly, NS&I has already provided evidence to show that the money that the Warrant had been drawn up for never left his NS&I account before it expired – that evidence has been shared with Mr N. And the fact that Mr N still has the Warrant is evidence that he'd not presented it for payment before it expired too.

Mr N has said he wants to provide his bank statements because NS&I had, at one point, said that it had reissued the Warrant. However, it seems this was based on an assumption and NS&I has since confirmed that was misleading information. Indeed, that was why it paid Mr N £150, to apologise for not being clear in explaining what had happened. What I understand NS&I meant by this was that, after the Warrant in Mr N's possession expired, further Warrants were issued and were successfully cashed in by Mr N. For example, the ledgers show that a £8,000 Warrant was cashed in on 4 January 2002 and a £4,000 Warrant was cashed in on 18 September 2003. So the money that the £4,500 Warrant had been drawn up for, had been subsequently paid out to Mr N under later transactions – and this is clearly evident in the ledgers that were shared with Mr N.

In his response to the provisional decision, Mr N says that there is a gap in the ledgers provided by NS&I. But, whilst that is true, I didn't need to see the entire history of the savings account to decide this complaint. Mr N's complaint specifically concerns whether the expired Warrant that he found should be paid to him, and I can see, based on the evidence that NS&I has been able to provide, that it shouldn't be.

I appreciate that, due to the differing and unclear responses that NS&I issued, Mr N did respond to NS&I a few times, to push for a clearer answer to his query. And in the circumstances, I think that the £150 compensation that NS&I has paid Mr N is reasonable for the inconvenience caused to him by this matter.

So, taking everything into account, apart from NS&I's unclear explanation of events - for which I think £150 compensation for the inconvenience caused is reasonable - I'm satisfied that NS&I doesn't need to do anything else in relation to this complaint.

My final decision

Because of the reasons given above and in my provisional decision, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 29 May 2025.

Thomas White
Ombudsman