

The complaint

Miss T is unhappy with National Savings and Investments (NS&I).

Miss T's complaint has been mainly handled by her father Mr T, so for ease I will refer to him throughout this decision.

Miss T won a Premium Bond prize in early 2024 and a cheque (in UK currency – GBP) was issued to her at her address abroad as the family don't live in the UK. Mr T contacted NS&I to ask about alternative forms of payment and then spent a long time trying to get the payment made to his daughter by NS&I.

What happened

Mr T told NS&I that his daughter doesn't have a UK bank account. He said he spent lots of time going backwards and forwards in correspondence and discussion with NS&I. Mr T said he provided all the relevant details, including requested indemnity forms, but the matter wasn't resolved for more than a year.

Mr T noted NS&I had said having Premium Bonds wouldn't really work for Miss T so eventually it refunded the value of the bonds into a UK bank account belonging to Mr T. But it didn't pay the prize money into the account. Instead, it sent a further GBP cheque that still couldn't be banked abroad. Mr T said the final response letters NS&I claimed to have sent never turned up.

Mr T wanted the prize money paid but said he had also spent money on postal fees to send requested paperwork to NS&I in the UK. Mr T was unimpressed with NS&I systems, processes and the online messaging service as he said on the messaging platform it wouldn't discuss personal details and immediately said phone calls or paper documents would be required. This wasn't easy to arrange from the distance Mr T was responding from. He said most companies where he lived could be easily dealt with through their online portal – he said this option was badly lacking from NS&I systems.

NS&I apologised in writing separately to both Miss T and Mr T. In the final response to Miss T, it said it got a letter in May 2024 with the completed Premium Bond cash in form and confirming Miss T had no UK bank account. She also returned the GBP prize cheque. It said she followed up in August 2024 asking for an indemnity form. NS&I said it received the indemnity form and the Premium Bond cash in form in December 2024. It said the Premium Bond account was closed and the money sent in February 2025.

NS&I said the cash in form never mentioned cashing the prize cheque so it wasn't carried out. It did apologise and paid her £50 as an apology.

NS&I also wrote to Mr T. In relation to the discussions on the messenger service it confirmed this was only for general enquiries and it can't look into any requests around accounts there. It apologised for issues with Mr T getting cut off when calling its helpline. It apologised for errors made around getting Mr T's postal address. It accepted the service had been poor and paid £100 into his bank account to apologise.

Mr T didn't accept the total compensation of £150 was enough for the issues and delays and brought the complaint to this service.

Our investigator upheld the complaint. She noted this service couldn't ask for compensation to be paid to Mr T as he wasn't the customer - Miss T was. Our investigator said that the first attempt to put matters straight was made by Mr T in March 2024. She accepted NS&I then said filling in a form would mean the account and the prize money would all be dealt with. She said it wasn't until June 2024 Mr T was told Miss T needed to nominate a UK bank account in her name for the prize money. At this stage it said she would need to complete an indemnity form and call it to discuss the matter. Our investigator said this should have all been done at the beginning. She felt NS&I caused most of the delays and asked NS&I to pay Miss T a further £50 to make her compensation total £100 and take the overall amount to £200.

NS&I agreed to do this. But Mr T didn't accept this and asked for the complaint to be passed to an ombudsman for a final decision.

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.

After reading the details I understand Mr T's frustrations. With him living abroad it's clear that using the online messenger service to deal with any issues would make complete sense. I think NS&I could have been a little clearer from the beginning about limitations of what it could and couldn't do through this option. There's a clear thread throughout the online discussion where it regularly comes to a stop because important information then has to be actioned through different channels away from the messenger service.

I also note on occasion Mr T got quite upset as it was clear when new staff took over the chat they hadn't read previous online chats and Mr T found this difficult to deal with. He referred to *"a lack of continuity"* and I do agree - I see his point. There were difficulties with telephone calls and NS&I apologised for this. In view of the mistakes made including around Mr T's address NS&I accepted the customer service had been lacking and despite this being Miss T's account it paid Mr T £100.

As pinpointed throughout this complaint by our investigator Mr T isn't the customer here. He was acting on behalf of his daughter Miss T. So, I won't be making any further awards to Mr T.

There's no doubt there were delays and NS&I could have been clearer with its communication. But from the start it did send a cheque to allow the prize to be paid to Miss T. I can't hold NS&I responsible for the local system in the country where Miss T lives not being willing to accept GBP cheques since early 2024.

Within the initial messenger discussion NS&I said it might be *"impractical"* for Miss T to hold Premium Bonds. It said this was because *"we can only pay the prizes or withdrawals to a UK bank account in their name."*

As Mr T made it aware at this point (end of March 2024) that the cheque couldn't be banked NS&I said, *"In that case, as an exception, we can look to pay her prize and closure payment of the Premium Bonds to a third party UK bank account."*

It followed up stating *“Regrettably, it is currently not possible to complete international payments as part of our day-to-day operations, as our international Payments Service ceased operations several years ago.”*

It concluded a payment to an international bank account could be requested in writing to its head office, and explained what details would be required to arrange payment.

So, I think at the start NS&I were clear about how things could be done but there’s no doubt after this customer service should have been better.

NS&I said the prize money wasn’t requested to be cashed in when the Premium Bonds were cashed in. It apologised for this and offered Miss T £50. I can understand that NS&I require a clear instruction and the relevant forms for each process but the impression Mr T had from NS&I is that this would all be resolved as one. So, I think NS&I didn’t act fairly and reasonably here. The processes should have been made clearer.

NS&I has confirmed all the payments have all eventually been paid including the total £150 compensation to Mr T’s UK bank account.

Aside from being unimpressed with the *“ineffective”* online system options Mr T felt that with the numerous requests for forms, indemnities, bank details, addresses, all made for arduous unnecessary logistical hurdles especially for an overseas customer.

I understand the feeling that “the goalposts kept being moved” and each time it seemed the matter was about to get resolved there seemed to be a new issue crop up. The matter should have been resolved regarding all payments in a relatively short period of time even though Miss T lives abroad.

The delays were generally caused by the communication and delays by NS&I and more effort was required by Mr T and Miss T to get both the payments for the Premium Bonds and prize money made.

So, I think the extra £50 payment for Miss T to take the overall compensation award to £200 is a fair and reasonable outcome.

Putting things right

- Pay Miss T a further £50 compensation.

My final decision

I uphold this complaint.

I require National Savings and Investments to:

- Pay Miss T a further £50 compensation.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss T to accept or reject my decision before 27 October 2025.

John Quinlan
Ombudsman