

The complaint

Mrs M complains that National Savings and Investments (NS and I) won't supply her with a copy of the withdrawal authorisation form relating to a premium savings bond commencing 058EN.

What happened

Ms M contacted NS and I because she had physical bonds in her possession which weren't listed on the record of bonds which NS and I said she held. NS and I said two of the bonds Mrs M queried had been sold. She asked NS and I to send her a copy of the withdrawal form where she authorised repayment of those bonds. NS and I couldn't do that and so Mrs M complained.

In its final response to Ms M's complaint, NS and I sent a copy of the withdrawal requests from May 2021 and July 2021 and a record of Ms M's holding. It accepted that the two bonds which Ms M referred to weren't included on her list to be encashed in May 2021. It said it couldn't explain why those bonds had been encashed as the notes were no longer available. It paid Ms M £75 compensation. Ms M wasn't happy with the response and referred her complaint to the Financial Ombudsman Service where an investigator considered it.

After our involvement, NS and I accepted that there had been shortcomings in its initial investigation. It also said it could have been clearer in its answers to Mrs M. So, it offered to pay £50 additional compensation (bringing the total to £125). Our investigator thought this was fair. They also said that they believed the evidence showed the bond in question had been paid out and so NS and I didn't need to do anything further.

Mrs M disagreed with what the investigator had said. She said she wasn't interested in the compensation – she just wanted to be shown proof of when she'd asked for that particular bond to be encashed. And she asked for her complaint to be referred to an ombudsman. So, it's been passed to me to decide.

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.

Whilst I am making an award of compensation here, I'm not able to give Mrs M what she's been looking for. And that's the proof of request for encashment. I realise this will be a disappointment for Mrs M but it's just not something I can deliver for her.

Mrs M had a query initially about two bonds – one beginning 58EN and the other 65EF. Mrs M has now accepted that she did ask for bond 65EF to be encashed and so I won't comment on that any further. But there is more to be said about bond 58EN.

Mrs M is correct in saying that she doesn't appear to have requested encashment of this bond. I've looked at the bond request forms which NS and I have provided and it doesn't appear on either of her lists of bonds she wants encashed.

NS and I stopped issuing paper certificates some considerable time ago – all the records are now digital. It asks customers to send in the paper certificates if they have them when they are encashed – but that's not a necessity. The computer record showing that the bond exists and is registered to the correct holder is sufficient to sell it. In this case, Mrs M had the paper certificate, didn't ask for it to be sold and so retained the paper certificate. Now she has a certificate for a bond she no longer has.

On the bond encashment form, there is a tick box which says, "Do you want to cash in specific bond numbers"? Mrs M has answered Yes to this question and provided a schedule of bonds that she wants sold. But that list does not marry up to the bonds which were ultimately sold. And that's why this complaint has arisen. NS and I has sold bonds which Mrs M didn't ask to be sold. So, neither NS and I or I can show Mrs M the withdrawal form with that number on it because it doesn't exist.

NS and I said in its final response letter:

While it's correct for my colleagues to have confirmed that the Bonds have been repaid, on further investigation I can see that 58ENxxxxxx and 065EFxxxxxx to 065EFxxxxxx were not listed on your repayment form processed on 2 June 2021. Unfortunately, due to the passage of time, the case notes for the withdrawal have long since been destroyed as such I cannot determine if there was a legitimate reason at the time. As such I presume this was a clerical error.

I think what NS and I has said is its honest assessment of what happened – in the absence of any records to show otherwise. NS and I paid £75 compensation and then offered a further £50 after our involvement.

There's no indication here that any money is missing – it's a case of the certificates Mrs M has don't match the bond numbers which NS and I say she holds. And that's concerning for Mrs M. For that reason, I think it's right that NS and I has paid and offered further compensation. If it hadn't done so, the amount I would have awarded is in the region of what NS and I has suggested.

Putting things right

For the reasons I've given above, I believe that compensation of £125 is a fair and reasonable way of settling this complaint.

My final decision

My final decision is that I uphold this complaint and Direct National Savings and Investments to pay Mrs M total compensation of £125. Any amounts already paid to Mrs M should be deducted from this amount.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 27 November 2025.

Stephen Farmer
Ombudsman