

## **The complaint**

Mrs B is unhappy that National Savings and Investments (“NS&I”) automatically rolled her matured investment into a new fixed term investment which had an unfavourable interest rate, and which didn’t permit any withdrawals before the end of the investment term.

Mrs B has dementia and is unable to manage her financial affairs. She is represented in this complaint by members of her family who have Power of Attorney to make decisions on her behalf, and whom for ease of reference I will refer to as ‘the attorneys’.

## **What happened**

Mrs B held a three-year fixed term investment with NS&I which matured in May 2021. NS&I sent a maturity letter to Mrs B in April 2021, confirming the date of maturity and advising her of her options at the point of maturity. NS&I’s letter also explained that if no instruction was received from Mrs B before maturity, her money would be automatically rolled over into a new three-year fixed term investment with an interest rate of 0.40%. And NS&I’s letter also explained that changes to NS&I’s terms meant that no withdrawals from that new three-year fixed term investment would be permitted after the 30-day cancellation period had expired.

In March 2023, the attorneys raised a complaint with NS&I on Mrs B’s behalf as they were unhappy that NS&I had rolled Mrs B’s investment over into a new investment from which withdrawals weren’t permitted. The attorneys explained that in 2021, when the previous investment had matured, Mrs B had been diagnosed with dementia and wouldn’t have been able to understand the content of the maturity letter NS&I had sent, or act in response to it.

NS&I responded to the attorneys but didn’t feel that they’d done anything wrong in how they’d administered Mrs B’s money. The attorneys didn’t accept NS&I’s response, so they referred Mrs B’s complaint to this service.

One of our investigators looked at this complaint. But they noted that while the attorneys had held Power of Attorney for Mrs B since June 2020, they hadn’t provided any alternative instructions to NS&I on Mrs B’s behalf when the prior investment matured in May 2021, or informed NS&I that Mrs B was no longer able to manage her financial affairs. As such, our investigator didn’t feel that NS&I had acted unfairly in how they’d managed the situation and so didn’t uphold the complaint. The attorneys remained dissatisfied, so the matter was escalated 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.

The attorneys have held Power of Attorney for Mrs B since June 2020. This is nearly a year before the previous NS&I investment matured in May 2021. Additionally, I note that NS&I sent the maturity letter to Mrs B in the post, by email, and by secure message within NS&I’s online platform. And NS&I also sent a reminder email to Mrs B a few weeks later, before the previous investment matured.

As such, I feel that the attorneys should reasonably have been aware of Mrs B's maturing investment in May 2021. And I also feel that if the attorneys had wanted Mrs B's money to be invested differently, that they could and should have instructed NS&I accordingly as per the options presented in the investment maturity letter.

Given that I feel the attorneys should reasonably have been aware of Mrs B's maturing investment in 2021, and that they should also have been aware of the options available to Mrs B at the point of maturity, I also feel that it is reasonable for NS&I to take the absence of a response from the attorneys as being an acknowledgement of their willingness at that time to accept the default option presented in the maturity letter – the rollover of Mrs B's investment into a new three-year fixed term investment which doesn't permit any withdrawals from that investment after the 30-day cancellation period has expired.

The attorneys have said that they feel it's unfair that Mrs B's money was rolled over into the new investment for the fixed term at a time when Mrs B wasn't able to understand the maturity letter that NS&I sent to her. But the attorneys were acting on Mrs B's behalf at that time and had been since June 2020. Therefore, Mrs B did have representatives acting on her behalf when the previous investment matured who could understand the maturity letter and make investment decisions for her – the attorneys.

If it's the case that the attorneys weren't aware of Mrs B's maturing investment or the maturity options available to Mrs B, then ultimately this isn't NS&I's fault. And I continue to feel, given that the Power of Attorney for Mrs B was obtained in June 2020, that the attorneys reasonably should have been aware of Mrs B's investment with NS&I and the options she had available to her when that investment matured.

Finally, the attorneys have said that they feel that NS&I have discriminated against Mrs B based on her being unable to understand the maturity letter she received.

Our service is an informal alternative to the Courts, as such, we don't have the power to make a finding of discrimination under the Equality Act 2010. However, we do take relevant regulations and legislation into account when determining how a complaint should be resolved.

I've had to decide if I feel that NS&I treated Mrs B unfairly. And while I appreciate the strength of feeling of her attorney's, I don't feel that NS&I have been unfair. That's because I've seen no evidence to suggest NS&I were aware or ought reasonably to have been aware that Mrs B was unable to understand the correspondence sent to her in April 2021. Therefore, they couldn't have known what reasonable adjustments she might have required for her investment to be managed in a particular way.

All of which means that I don't feel that NS&I have acted unfairly or unreasonably here. And it follows from this that I won't be upholding this complaint or instructing NS&I to take any further or alternative action. This is because the attorneys didn't provide any investment instructions to NS&I when the previous investment matured or make NS&I aware that Mrs B was no longer able to manage her own financial affairs. I realise this won't be the outcome the attorneys were wanting, but I hope they'll understand, given what I've explained, why I've made the final decision that I have.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 23 May 2024.

Paul Cooper  
**Ombudsman**