

The complaint

Mr B complains that National Savings and Investments' (NS&I) terms & conditions make no reference to the fact that once a child turned 16, there would be no further communication with parents / guardians about that person's account.

This complaint is raised by Mr B in regard to the account held in his son's name (Mr B1).

What happened

Mr B says that NS&I accepted that it gave him incorrect information about whether he would be contacted prior to Mr B1 turning 16 but failed to acknowledge his argument that the account terms and conditions do not state that the parent will be unable to access the account after the account owner turns 16.

NS&I said that when Mr B1 turned 16 access to his holding through Mr B's online account was removed. It said that it wrote to Mr B1 in December 2022 about this. It noted in its response to Mr B's complain that it had written to Mr B1 to let him know how he could get registered and manage his account by phone or online if he wished to. It welcomed Mr B's feedback and said his comments would be passed to its customer feedback team.

Our investigator noted that the concerns raised were about the account terms and conditions and that this is something that would fall to the regulator and not our service to investigate. Rather our role is to consider whether NS&I had done anything wrong or treated Mr B or Mr B1 unfairly. She said that NS&I had acted in line with the account terms and conditions by removing the account from Mr B's dashboard when Mr B1, owner of the account, turned 16. Therefore, she didn't uphold this part of the complaint.

Our investigator noted that NS&I had initially provided incorrect information when Mr B contacted it, but she thought the apology provided and £50 compensation was a reasonable resolution to this issue.

Mr B didn't accept our investigator's view. He said that while the terms say the child will manage the account when they reach 16 there is nothing to say that the child is the sole manager of the account, and the adult is excluded. He said NS&I had accepted that its terms didn't clearly state that the responsible parent is removed when a child turns 16. He said that this lack of clarity is the crux of his complaint.

Mr B said his complaint was only about the terms and conditions and the application of these and said that this was for the Financial Ombudsman Service to consider. He said the issue resulting in the £50 compensation wasn't related to this complaint.

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.

I understand the issue that Mr B has raised. He has explained the crux of his complaint is

the lack of clarity about what happens when the account holder turns 16. He says while the terms set out that the child will manage the account from the age of 16, they do not say that the adult that previously had responsibility would have their access to the account removed.

As our investigator has explained our service doesn't regulate NS&I. Our role is to decide whether NS&I has acted in line with the account terms and conditions or done anything wrong and / or treated Mr B unfairly in its dealings with him.

I have considered the issue Mr B has raised and the responses received. Reference has been made to the customer agreement page 9 which states that 'the child will then begin to manage their own Bonds when they reach the age of 16.' NS&I has said this means that the responsible parent is removed from accessing the account at this time. I agree with Mr B that the terms do not expressly state that the responsible parent will lose access at this time. But I think it is reasonable to expect, given this term and as the account is in Mr B1's name, that the account management, and therefore access would pass to Mr B1 when he turned 16. That said, NS&I did take on board the comment that the responsible parent should be written to and advised that they will be removed from the child's investment and said this would be fed back to the relevant department. I find this a reasonable response to the issue raised.

I understand that this issue has caused Mr B upset and inconvenience but as NS&I has followed its usual process in regard to removing access when the account holder turned 16, and I find the terms and conditions are clear that the management transfers to the child at 16, I do not find I can say that NS&I did anything wrong or that Mr B has been treated unfairly in this case.

So, while I am not upholding this complaint, I think it reasonable that Mr B's comments about the transfer process at 16 are passed back as NS&I has said would happen.

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 Mr B1 and Mr B to accept or reject my decision before 23 February 2024.

Jane Archer
Ombudsman