

The complaint

Mr F complains that Tesco Personal Finance PLC (trading as Tesco Bank) removed the details of his son's Junior Individual Savings Account (JISA) from his app and online banking without him being informed.

What happened

Mr F contacted Tesco Bank to raise a complaint on 9 May 2023 regarding a JISA he had set up for his son. He was listed as the registered contact on the account and able to manage the account until his son turned 18. However, Mr F said that the account details were removed from his online banking in March 2023 even though his son didn't turn 18 until May 2023.

Tesco Bank didn't uphold Mr F's complaint. It said that it had acted in line with its processes regarding the JISA account.

Mr F referred his complaint to this service. A jurisdiction decision was issued confirming the complaint was one we could consider.

Our investigator issued a view about the merits of this complaint. She noted Mr F's comment that he wasn't able to view the JISA account from March 2023 but said that Tesco Bank had provided evidence to show the hold was placed on the account on 10 April 2023. She said that as Mr F's son turned 18 in May 2023, she was satisfied that Tesco Bank had acted in line with its processes. She said that while Mr F wasn't able to view the account online or through the mobile banking app he was still the registered contact and Tesco Bank confirmed he was still able to manage the account through telephone banking should he have needed to. While noting the inconvenience Mr F had been caused, as our investigator didn't think that Tesco Bank had done anything wrong, she didn't uphold this complaint.

Mr F didn't agree with our investigator's view. He reiterated that he was responsible for managing the account until his son turned 18 and said he wasn't told by Tesco Bank about any policy or process regarding the transfer of the account to his son. He further said that he contacted Tesco Bank by phone in February and March 2023 to update his postal address, but the annual statement was still sent to him at his old address in September 2023. He said that his son's JISA was then visible to him for a few days in September 2023 even though his son had turned 18 in May. He said that he considered this poor systems management by Tesco Bank.

Our investigator responded to Mr F's comment saying that as the issue with the change of address and statement wasn't part of Mr F's original complaint and wasn't part of Tesco Bank's final response this hadn't been considered as part of this investigation. She confirmed this investigation only considered Mr F's complaint regarding Tesco Bank removing the ability for Mr F to manage his son's JISA through online or mobile banking prior to his son turning 18.

My provisional conclusions

I issued a provisional decision on this complaint, the content of which is set out below.

I appreciate how frustrating Mr F has found the issue regarding the access to his son's account being removed. For me to uphold this complaint I would need to be satisfied that Tesco Bank had done something wrong or treated Mr F unfairly.

Mr F opened a JISA for his son on which he was the registered contact. The terms and conditions of the JISA set out that for children under 16 the account must be managed by a registered contact who can manage the account using online banking, mobile app and telephone banking. At 16, the child can choose to manage the account but, in this case, Mr F remained the registered contact at this time. The terms further set out that Tesco Bank will write to the child shortly before they turn 18 to let them know the options available to them. It states that once the child becomes the registered contact the previous registered contact will not be able to manage the account. Therefore, I find that Mr F should have been reasonably aware that the management of the account would transfer to his son when his son turned 18 and that Tesco Bank would contact his son in advance of that. Tesco Bank has provided a copy of a letter sent to Mr F's son explaining his options when he turned 18 and so I find it followed its usual process in regard to this.

Mr F complains that his access as registered contact was removed before his son turned 18. Tesco Bank has explained that its general process involves identification of all JISAs that are due to mature the following month and these cases are reviewed and worked a few weeks before the child turns 18. It said that the process isn't intended to block online access but the impact of this is that the account can't be viewed online. It has provided evidence that the hold was placed on Mr F's son's account on 10 April.

As Mr F's son didn't turn 18 until early May 2023, this meant Mr F was unable to view the account online while still being the registered contact for around three weeks. While I accept that this was part of Tesco Bank's process, I cannot see that Mr F was made aware that his ability to view the account online would be removed before his son turned 18 and, in this case, this has caused Mr F distress and inconvenience.

When considering compensation for this, I have taken into account the time Mr F wasn't able to view the account online (from 10 April until his son turned 18) and Tesco Bank's comment that had Mr F needed to check the balance on the account between 10 April 2023 and when Mr F's son became the registered contact, he would have been able to be verified through telephone banking. Based on this, I think that compensation of £50 is reasonable.

Mr F has said that he was able to view the account online for a short period in September 2023, but as this wasn't part of the original complaint this hasn't been investigated.

Taking everything into account, I intend to uphold this complaint and think that Mr F should be paid £50 for the distress and inconvenience he has been caused.

Tesco Bank didn't agree with my provisional decision. It said that even if Mr F had access to view the account online there was no way for him to make changes. It said that the account could still be funded as normal, and if Mr F needed to know the balance of the account in the period he was unable to view it, he could have contacted Tesco Bank by telephone.

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 note Tesco Bank's comments in response to my provisional decision, but in this case, these haven't changed my conclusion. As I set out in my provisional decision, Mr F had online access to his son's account removed before his son turned 18. While this was Tesco Bank's usual process, I cannot see that Mr F was made aware of this and this caused Mr F distress and inconvenience. I appreciate the comment that Mr F could have called Tesco Bank had he wished to find out the balance on the account in the period between his online access being removed and his son turning 18, and I have factored this into my assessment of compensation.

Taking into account the circumstances of this case and noting the distress and inconvenience Mr F was caused by not being able to view the account online (from 10 April until his son turned 18), I think that compensation of £50 is reasonable.

Putting things right

Tesco Personal Finance PLC should pay Mr F £50 compensation for the inconvenience and upset he has been caused.

My final decision

My final decision is that Tesco Personal Finance PLC should take the action set out above in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 25 June 2024.

Jane Archer
Ombudsman