

The complaint

Ms S has complained, via her mother, about how Lloyds Bank PLC (“Lloyds”) handled a request to transfer a Junior ISA to another provider.

What happened

On 20 August 2024 Ms S’s mother, made requests to Lloyds to transfer two Junior Individual Savings Accounts (JISAs) to another provider. One was in Ms S’s name and another in her sister’s name.

Lloyds received the requests, but could not process them because it didn’t have a copy of Ms S’s mother’s signature on file. Because of this, Lloyds wrote to Ms S’s mother and asked that she visit her local branch with identification, so that these details could be updated for both accounts.

Ms S’s mother says she attended a Lloyds branch and called Lloyds numerous times to find out what information it wanted, but says the branch staff and call handlers either gave incorrect information or were unable to answer her queries.

After being given various information, Ms S visited a Lloyds branch on 19 October 2024 and completed a signature mandate form. Following this, Ms S’s JISA was transferred to the new provider on 7 November 2024. However, Ms S’s sister’s JISA was not transferred until later on.

Unhappy with how matters had been handled, Ms S’s mother complained to Lloyds about the handling of the transfer of the two JISAs.

Lloyds issued a final response on 4 December 2024, upholding the complaint. It agreed to pay Ms S’s mother, £300 compensation for the distress and inconvenience caused, as well as £26.93 to cover the lost interest on both Ms S and her sister’s account.

Ms S’s mother referred her complaint to this service as she felt that £600 compensation would be more appropriate, given what happened.

After Ms S’s mother referred her complaint to this service, the complaint was split into two separate complaints. So, this complaint only concerns the transfer of Ms S’s JISA that, eventually, took place on 7 November 2024.

One of our investigators assessed the complaint and they ultimately didn’t think that further redress was warranted for this complaint.

As Ms S’s mother felt that further redress should be paid, the matter was referred for an ombudsman’s 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.

Having reviewed this complaint, I don't think that Lloyds needs to pay any more compensation (than it has already paid) to Ms S or her mother for the handling of Ms S's JISA transfer. I will explain why.

In response to the complaint, Lloyds has already paid the difference in interest between what Ms S did earn, and the higher amounts of interest she would've earned had her JISA transferred successfully. The dates that Lloyds used to calculate the amount of interest that Ms S lost out on were 23 September 2024 to 7 November 2024. This covers the period between when it received the transfer request and when the transfer completed. So I think what Lloyds paid fairly covers the financial loss that Ms S incurred due to the delay in the transfer.

So all that is left for me to consider here is what compensation is warranted for the distress and inconvenience that Ms S and her mother incurred as a result of the difficulties they faced.

Lloyds has already paid £300 in compensation. Although that amount was in relation to both JISA transfers. So for the sake of simplicity, I have taken the view that £150 of that amount relates to Ms S's complaint.

Turning now to the issues that Ms S's mother faced (who was acting for Ms S due to her age), she has explained that Lloyds sent two letters asking for the same information to be provided. But when she went to branch to supply the information, she says that staff only took a copy of Ms S's passport, but didn't take proof of Ms S's address.

In summary, I can see that Ms S called Lloyds a number of times, and was given incorrect information about what Ms S and her mother would need to provide in branch, to ensure the transfer went through smoothly. For example, Ms S's mother said that the branch staff didn't initially ask her to provide her signature – even though it was necessary due to Ms S's age and indeed was the missing information that prevented the transfer from occurring in the first place. Ms S's mother then went to branch again on 19 October 2024, the correct information was provided, and the transfer then went through on 7 November 2024.

I appreciate that it would've been very frustrating for Ms S's mother in trying to comply with Lloyds' requests. It does look like Ms S's mother was given wrong information at times; she'd spent a fair amount of time on the phone to Lloyds; and branch staff had initially failed to record the correct information to complete the transfer process.

Having considered what happened, I do think that the £150 and the loss in interest that has already been paid is reasonable in the circumstances. And so, I don't think Lloyds needs to do anything more than what it has already done, to put matters right in relation to this complaint. Although I would like to point out that my comments are only in relation to Ms S's JISA transfer. Her sister's JISA transfer will be looked into separately by this service, so I won't comment on that further here.

My final decision

Because of the reasons given above, I think that the redress already paid by Lloyds Bank Plc to put things right for Ms S and her mother is reasonable.

I therefore don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 28 April 2025.

Thomas White
Ombudsman