

## **The complaint**

Mr M complains that Lloyds Bank PLC is insisting on him certifying and posting identification documents to reactivate a dormant account.

## **What happened**

In June 2023, Mr M contacted Lloyds using its mobile messaging service to reactivate an account that had become dormant. He tried to reactivate his account using the same service, but Lloyds explained that he would need to call it. He did so, only to find that Lloyds wouldn't be able to reactivate his account over the phone. Instead, Mr M would need to follow steps to certify and post identification documents because he lives overseas.

Mr M complained to Lloyds about this and it agreed that it shouldn't have told him that he could have reopened his account over the phone. For this, it offered to pay £30.00 for how the situation had impacted him and £20.00 for his international call costs. Mr M wasn't happy with this and brought his complaint to our service.

One of our investigators looked into this and said that Lloyds hadn't acted unfairly. They felt that Lloyds was following its procedures here and wasn't treating Mr M any differently to any other customer in his circumstances. Mr M wasn't happy with this though. He felt that Lloyds should have more advanced technology like other banks and that he would incur a cost by having to take the steps Lloyds was expecting him to take. Our investigator didn't change their findings so the complaint was 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.

I can see Mr M's point here. He expects a bank like Lloyds to be able to offer more advanced solutions to his particular issue, other than physically posting information to it. But Lloyds is entitled to set policies and procedures like the ones it has here. In doing so, it's shared those procedures with us and shown that it is following them.

So it's clear that Lloyds has followed its standard process here in what it's asked Mr M to provide. I've gone on to think about whether it's fair and reasonable to insist on that here. Mr M lives abroad, so he can't easily visit a branch – which would be the usual process for customers in the UK. Lloyds' exception to this process is to require Mr M to post it a certified copy of certain documentation. That's a reasonable request in my view to ensure that it complies with its obligations to act with due diligence when identifying customers.

Such a request comes at a financial cost and inconvenience to Mr M – because he lives abroad. I don't think such a cost or level of inconvenience is unreasonable though. Mr M hasn't said anything that makes me think he can't comply with Lloyds' request – it seems more like he doesn't think that he should, when other banks have alternatives that are more convenient for him. I realise that may be the case, but Lloyds is entitled to decide on its own processes and in following them here - I think it's acted fairly.

It was unhelpful when Lloyds wrongly told Mr M that he could reactivate his account over the phone. For that it offered £30.00 for the impact of this advice and £20.00 to cover his call costs. That is a fair offer in my view. But a mistake like this doesn't mean that it'd be fair for me to tell Lloyds to put its policies and processes to one side here.

Lloyds has confirmed that if Mr M would like to receive the compensation it has offered without necessarily reopening the account – then it could send him a cheque for this. If Mr M would like to arrange this with Lloyds then he's free to do so – but as I'm satisfied that Lloyds has acted fairly in relation to this complaint, I won't be telling it to do any more here.

### **My final decision**

Lloyds Bank PLC has made an offer of £50 in total to settle this complaint which I think is fair and reasonable in the circumstances. So my decision is that it should pay this to Mr M.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 April 2024.

James Staples  
**Ombudsman**