

## **The complaint**

Ms O complains that she was asked to provide ID to verify her identity following opening a savings account online with Yorkshire Building Society (“YBS”).

## **What happened**

Ms O has banked with YBS for over 25 years and has held a number of products with it. Ms O applied online to open a further savings account with YBS on 26 September 2023.

YBS asked Ms O to provide identity documentation to complete the process of opening the account.

Ms O was unhappy with this as there were no local branches she could visit to do this and she wasn’t comfortable posting her personal information and documentation.

Because Ms O didn’t provide the required information and the account wasn’t funded on time YBS closed the account on 7 November 2023.

Ms O complained to YBS about all of this.

YBS didn’t uphold Ms O’s complaint, it says it has a responsibility to verify both new and existing customers before opening an account and as it was following its procedures no error had been made on its behalf.

Ms O was dissatisfied with this and brought her complaint to this service. To resolve the matter Ms O wants YBS to open the account requested and compensate her £500 for the inconvenience.

One of our investigators looked into Ms O’s concerns but didn’t think YBS had made an error as businesses have legal and regulatory obligations they must meet and it’s not our job to say what policies YBS need to have in place to do this and so didn’t think Ms O’s complaint should be upheld

Ms O disagreed, she says her identity is known to YBS and doesn’t think it is fair or reasonable that she should have to provide sensitive information through the post or be inconvenienced by a trip to one of its branches. Ms O has asked 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.

I hope that MS O won’t take it as a discourtesy that I’ve condensed her complaint in the way that I have. Ours is an informal dispute resolution service, and I’ve concentrated on what I consider to be the crux of Ms O’s complaint. Our rules allow me to do that. And the crux of Ms O’s complaint is regarding the processes YBS has in place for verifying its customers ID.

In particular, she is unhappy that this has to be done when opening an account with it despite being an existing customer for many years.

It might be helpful for me to say here that, as we are not the regulator, I cannot make the bank change its systems or processes – such as how accounts are opened or what ID needs to be supplied or how. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

Rather my role is to look at the problems Ms O has experienced and see if YBS has done anything wrong or treated her unfairly. If it has, I would seek – if possible - to put Ms O back in the position she would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

Ms O is unhappy that even though she was an existing customer and known to YBS it wouldn't open a further account for her without her visiting a branch or posting it her ID.

Although I wouldn't tell a bank or building society how it should run its business or what security systems it should have in place, I don't think YBS treated Ms O unfairly or were unreasonable when it was unable to verify her ID electronically and requested her to prove her identity when she wished to open a further account with it. Indeed, I'd expect YBS to have systems in place to protect its customers against potential fraudulent activity and part of this is ensuring it is satisfied of its customers identity.

I appreciate these requirements are an inconvenience and how frustrated Ms O is about all of this and that other banks or building societies might do things differently. But YBS wasn't able in this instance to verify Ms O electronically, so further information was needed. The fact that this might be required is detailed on YBS's website as part of its account opening process, so Ms O was given this information prior to opening the account. And I'm sure Ms O understands that sometimes one has to spend some time dealing with personal administrative and financial matters that isn't always convenient.

Ms O may not understand YBS's reasoning for why it needs proof of identity of existing customers and the processes it has laid down to do this – and nor do I. But it is not up to me or her to determine what YBS should accept as proof of ID in order to meet its regulatory obligations – that is entirely up to YBS. And as I haven't seen anything to suggest the same policy isn't applied to all its customers, I can't say YBS has done anything wrong.

So on this basis I can't say that YBS has done anything wrong or treated Ms O unfairly when she didn't provide the documentation requested and so it didn't open her account. So it follows I do not uphold her complaint.

**My final decision**

For the reasons I've explained, I've decided not to uphold Ms O's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 10 April 2024.

Caroline Davies  
**Ombudsman**