

The complaint

Mr H complains that Yorkshire Building Society (“YBS”) did not allow him to open a saving account.

What happened

When Mr H attempted to open a ‘Make me a saver’ account with YBS and was declined, he raised a complaint.

YBS issued a final response in which it explained that the specific account was not available to customers living in Northern Ireland. They explained this was because there was a prize draw element to the account and these types of account are illegal in Northern Ireland. They said this was because the Gambling Act of 2005 did not cover Northern Ireland, and the relevant order for Northern Ireland was the 1985 Betting, Gambling, Lotteries and Amusement order, which does not allow for a form of purchase with a prize draw.

Mr H disagreed with this and cited that he is able to purchase premium bonds and play the national lottery in Northern Ireland, so should be able to open the saving account with YBS. He referred the complaint to our service.

Our investigator looked into the complaint and thought that YBS had acted fairly when it declined to open the saving account for Mr H, and that their reasons for doing so were reasonable. He explained that we are unable to make YBS change their processes and procedures as we are not the regulator, and that Mr H had not suffered a financial loss as a result of YBS’ decision.

Mr H disagreed with the outcome. As an informal agreement could not be reached, the complaint has been passed to me for a final 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 done so, I agree with the investigator for largely the same reasons, and I do not uphold Mr H’s complaint. I’ll explain why in more detail.

The crux of this complaint is that YBS would not allow Mr H to open a specific account. YBS has provided a copy of the terms and conditions for the account in question.

This sets out the eligibility for the account:

“You must be aged 16 or over and live in England, Scotland or Wales to open the account. We may close your account if you’re not living in one of these countries. You may not open an account if you live in Northern Ireland due to the law governing prize draws in that country.”

Looking at this, I think YBS has clearly set out who can and cannot open the account and

the reasons why. And I think it has applied this eligibility criteria correctly when it declined Mr H's application to open the saving account. So, I don't think it has made an error in the circumstances when it did so.

Mr H has questioned the reasoning YBS has given for restricting access to customers living in Northern Ireland. Ultimately it is down to YBS' own commercial discretion who it provides its services to. As the investigator explained, we are unable to make YBS change its processes or procedures as we are not the financial regulator, that is the role of the Financial Conduct Authority. However, on balance the reasons YBS has provided for restricting access to the account sound reasonable as they have highlighted the type of account would not be allowed under the relevant laws in Northern Ireland.

In summary, I do not think YBS has made an error in declining Mr H's account application, so I don't think it needs to take any action.

My final decision

I do not uphold Mr H's complaint against Yorkshire Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 2 February 2023.

Rebecca Norris
Ombudsman