



## **The complaint**

Mr C holds a power of attorney for and complains on behalf of his mother Mrs C that Investec Bank PLC discriminated against her by not allowing her to move her investment to a new account without photo ID.

## **What happened**

Mrs C had a 95 day notice investment account with Investec which Mr C had opened for her in 2018. In or about December 2022, she was notified that the account she had would be closing but that she could move the funds to a new digital online account. To open the account she would require photo ID in the form of a passport or a photocard driving licence. Mr C felt this was unfair and discriminatory as Mrs C is elderly and does not possess either of those ID documents.

Investec explained that it had been updating its range of savings products, so that it can meet the increasing demand from customers who are looking for products that are online, simple to use and easy to access. To apply for the new product, the applicant required photo ID which would then later be used to access funds invested in the product. As Mrs C did not have the necessary photo ID she would not be able to apply for the product.

Mr C said this was unfair. Mrs C was excluded from the product because of her age. He could not see why Investec was unable to transfer over her ID details from the account she already had.

On referral to the Financial Ombudsman Service our Investigator said that Investec had acted reasonably, and Mrs C could have obtained a passport if she had wanted to.

Mr C did not agree and felt that Investec's actions contravened the Equality Act 2010 (EA) and the Financial Conduct Authority (FCA) guidance in respect of the fair treatment of vulnerable, including elderly customers. In particular he did not think that Mrs C should have had to pay for a passport which she would not be in a position to use.

The matter has been passed to me for an Ombudsman's consideration.

## **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.

As our Investigator has advised, it's not my role to say whether a business has acted unlawfully or not. Only the Courts could decide such an issue. I have to decide what's fair and reasonable in all the circumstances of the case. I do have to take into account what the law is and consider other things such as what would have been good industry practice at the time. And that would include the FCA's guidance, and the EA. Whilst only the Courts can say whether or not Investec has breached the EA, in my role in deciding what is fair and reasonable in the circumstances of the complaint I am required to take into account the EA and other matters if I consider it to be relevant.

I have noted Investec's reasons for requiring photo ID in respect of accounts on its new online platform. And I think it reasonable for it require such ID because it needs to comply with anti-money laundering regulations. It says it does not have the capacity to make exceptions or to allow a manual application. And whilst Mrs C previously held an account with it, it says that the operation of the new online account is all linked to the initial ID process. In particular any transactions on the account will be linked to the photo ID initially supplied. I bear in mind that Investec is a relatively small bank in the UK so I think its position is reasonable and I don't think it proportionate to expect it to either keep the old accounts or to introduce new ones which don't require photo ID.

I understand that Mr C feels it is unfair to expect his mother, who is elderly and lives in a care home, to apply for photo ID in order to access the new account. He believes his mother should not be expected to have to pay for photo ID such as a passport. And that Investec should have used the ID details from up her former account or accepted a different form of ID. I am assuming that when he applied for the previous account for Mrs C she did not have to produce photo ID. But I think things have moved on since then and in particular there are now much stricter regulations concerning money laundering and customer authentication.

I don't think it was particularly onerous to expect Mrs C to have photo ID if she wanted to apply for the new account. A passport is used as much for ID as it is for travelling. But if she really did not want to go through the photo ID procedure, I'm sure there are accounts elsewhere and I believe that Mr C has managed to invest her money elsewhere. I haven't seen evidence that it would have been particularly advantageous for her to invest with Investec.

Mr C refers to discrimination in respect of the above matters, in that elderly people are less likely to have the sort of photo ID necessary to open the new online account. As I've said, that would be a matter for the Courts to decide. But in the context of the fair and reasonable remit of this decision, the EA provides that a provision, criterion or practice is discriminatory if the business can't show it to be a proportionate means of achieving a legitimate aim. As I've said above I think that the commercial decision Investec made was both reasonable and legitimate in respect of its procedures for opening its new online account.

### **My final decision**

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 22 February 2024.

Ray Lawley

**Ombudsman**