

The complaint

Ms C complains about problems verifying her identity when opening a new savings account with Yorkshire Building Society (YBS).

What happened

Ms C's an existing customer of YBS. On 18 April 2024 Ms C tried to open a savings account online with YBS and was asked to provide identification. Ms C says she called YBS and asked if it could verify her electronically but was told identification was required. Ms C raised a complaint.

Ms C visited a YBS branch on 9 May 2024 with verification documents. For proof of identity, Ms C brought an EU member state ID card that doesn't expire for several years. But the ID card was rejected as it contained Ms C's previous address that she'd moved out of in 2018. Ms C says that when she called YBS the following day, a promised call back wasn't received.

Ms C went on to check her credit file and was told her details are correct. The credit reference agency also advised that there was no record of a credit search by YBS on 18 April 2024.

YBS' systems notes confirm that on 20 May 2024 Ms C's address was amended to include the word "flat". Ms C's told us she spoke with YBS' branch the same day and was told she still needed to provide identification.

On 23 May 2024 Ms C attended a branch with different identification documents that were accepted and the account application was reviewed again and opened the following day.

YBS issued two final responses during the course of Ms C's application. On 2 May 2024 YBS confirmed it had been unable to verify Ms C's details electronically which is why it had asked her to provide documents instead. YBS' second final response, dated 23 May 2024 reconfirmed why it asked Ms C to provide documents to verify her identity. YBS added that Ms C's ID card had been correctly rejected and that it could only accept documents from its identification list that contained accurate information. YBS rejected Ms C's complaint.

An investigator at this service looked at Ms C's complaint. The investigator wasn't persuaded that YBS had made a mistake or treated Ms C unfairly by asking her to provide identification when it was unable to verify her details electronically. The investigator accepted YBS' claim it had carried out a credit search to verify Ms C's identity on 18 April 2024 as claimed. And the investigator wasn't persuaded it was unfair for YBS to reject an ID card that showed a previous address.

Ms C asked to appeal and provided emails from the credit reference agency that advised there was no record of a credit check from YBS on 18 April 2024. Ms C added that YBS had used her address format, without the use of "flat" on other accounts she'd opened online with it over the years. Ms C said her ID card was only intended to be used as proof of her name and that the other documents she provided verified her address. Ms C added that branch

staff had called her on 20 May 2024 to confirm the ID card had been rejected but didn't mention amending her address format to include the word flat. As Ms C asked to appeal, her complaint has been passed to me to make a 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'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under. I'd like to assure Ms C in particular that I've read and considered all of her submissions and emails when looking into her complaint.

I can understand Ms C's frustration that the account opening process didn't go as smoothly as expected. And I can see that Ms C has been given conflicting information by YBS and the credit reference agency concerning the date the first check was completed. YBS says it tried to verify Ms C's identity as part of its standard application process on 18 April 2024. But the credit reference agency says there's no record of a search on that date. I don't know why the businesses in question have different information. And in this decision I can only look at YBS' actions and whether it made mistakes with Ms C's application process. I've looked at the evidence available to reach a view of when YBS first looked at Ms C's credit file.

Ms C's confirmed she completed the application online. The process is largely automated and YBS has confirmed it includes checking a customer's credit file to help verify their identity. I'm satisfied that checking an applicant's credit file forms a standard part of the application process. YBS has also provided evidence from its systems that shows a credit search was completed on 18 April 2024. I don't know why there's no record of that search with the credit reference agency. But I'm satisfied a credit search for verification purposes forms a standard part of YBS' application process and I'm satisfied it's provided systems evidence to show one was completed against Ms C on 18 April 2024 as claimed.

An ID card was provided to verify Ms C's identity but it contained her old address. Ms C's confirmed she moved in 2018 and that other businesses have accepted her ID card for identification purposes since that time. Whilst that may be the case, YBS is free to decide what documents it will accept. And I'm unable to agree it's unfair for YBS to require identification documents to be up to date and contain accurate information about a customer. I accept the ID card wasn't intended to be used to verify Ms C's address, but I'm satisfied YBS reasonably requested up to date identification.

YBS has explained that when Ms C input her address she omitted the word "flat" which caused the verification process to fail. YBS has provided further systems evidence that shows when the word "flat" was added, it was able to complete the verification process. YBS has pointed out that Ms C's address is registered with the Post Office, the organisation it uses to check address formats, using the word "flat". I've checked online and can confirm that's correct. The credit scoring process included in the application is automated so small variations can impact the results. In response to the investigator, Ms C's told us YBS' systems should be able to handle minor variations of this nature. But the Financial Ombudsman Service can't tell a business how its systems should operate. And I'm satisfied that by amending the way Ms C's address is formatted it did impact YBS' ability to verify Ms C online as it claims.

Ultimately, Ms C's account was approved and opened once YBS was able to verify Ms C's details. As noted above, Ms C's address was amended on 20 May 2024 to include the word "flat" and I can see she took acceptable identification into branch on 23 May 2024. I appreciate the address had already been amended by that point, but I'm satisfied YBS had already made a reasonable request for Ms C to provide documentation in support of her application. In my view, it's requirement for the identification before opening the account was reasonable, even accepting Ms C's address had been amended. I've not found further delays once Ms C provided identification on 23 May 2024 as the account was opened the following day.

Whilst I don't doubt the application process caused Ms C some inconvenience I haven't seen anything that leads me to conclude that YBS made mistakes or treated her unfairly during the process of opening her new account. As I'm satisfied YBS reasonably asked Ms C for documents to verify her identity and that it dealt with her application and complaint fairly I'm not telling it to do anything else.

My final decision

My decision is that I don't uphold Ms C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 1 November 2024.

Marco Manente
Ombudsman