

## **The complaint**

Mr E has complained, via his mother, that Lloyds Bank PLC (“Lloyds”) marked his savings account as dormant, resulting in him not earning interest for over 10 years.

Mr E has also complained that, because his date of birth was incorrectly entered on Lloyds’s system, this prevented his mother from accessing his account.

## **What happened**

Following Mr E’s complaint, Lloyds issued its final response letter to Mr E’s mother on 4 July 2024 and apologised for incorrectly recording Mr E’s date of birth when setting up his account. Lloyds arranged to pay Mr E’s mother £40 by way of an apology. Lloyds confirmed that Mr E’s account had not turned dormant prior to when he turned 18. But it did say that, as the account was put into Mr E’s name once he’d become an adult, it couldn’t share any further information with Mr E’s mother.

After Mr E’s mother referred this complaint to this service, one of our investigators assessed the complaint and they didn’t uphold the complaint.

Unhappy with the investigator’s assessment, the matter was referred 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.

Having considered everything, I don’t uphold this complaint. I will explain why.

Mr E’s mother says that the account was dormant for around 10 years and in that time Mr E missed out on earning interest on the savings account. However, Lloyds has provided evidence to show that the last payment into the account was in November 2019, so the account was clearly still active then. And due to inactivity on the account for over three years, the account was then made dormant in August 2023. So, the account was not made dormant ten years ago and Mr E has not missed out on earning interest for 10 years, as Mr E’s mother first thought. Lloyds’ notes indicate that a letter was sent out to Mr E on 9 August 2023, to notify him of the dormancy status of the account.

So, looking at everything that has been provided, I can’t see that Lloyds did anything wrong, or acted unfairly or unreasonably, in changing Mr E’s account’s status to being dormant. From what I have seen Lloyds followed its dormancy process fairly and had sent Mr E a notification regarding the change in status to his account.

When the account was being reactivated, I understand it was identified that Lloyds had the incorrect date of birth recorded for Mr E. Lloyds apologised for this and rectified the mistake on its systems. Lloyds paid Mr E’s mother £40 to apologise for this error.

Mr E's mother says that she tried to access the account over the years, but says she was unable to do so because of the incorrect date of birth being recorded on file. Whereas Lloyds says that the incorrect date wouldn't have prevented the account holder from accessing the money in the account. Lloyds also says it has no record of Mr E having difficulties accessing the account (or complaining about such difficulties) prior to 2024. And it says that, if Mr E did have difficulties accessing the account, he could've raised it with Lloyds at the time.

I note that Mr E's mother says that she couldn't access the account, and had to fund Mr E via other means, whilst he was at university. However, having considered the competing points, I think it is important to explain that, although the account was previously a child's account, the account would've switched over to being an adult account at some point. That would've taken place either once Mr E had reached 18, or possibly before then (depending on the specific terms of the account).

Once the account had switched over, then only Mr E would've been able to access it as he would've become the sole account holder. This means that the account will have been in Mr E's sole name since at least 2016. Overall, I think this most likely explains why Mr E's mother had difficulties accessing the account. Essentially because it was no longer in her name and was solely in Mr E's name, which would've meant that only he could access it.

Again, whilst I recognise that Mr E's mother may be unhappy with this, it is a standard process that occurs with children accounts, once the child reaches the milestone age for the relevant account, which in many cases is 18.

Mrs E's mother says that, because she could not access the account, she had to seek funds from elsewhere to support Mr E financially whilst he was at university. However, if Mr E needed to access the funds from his account, I see no reason why *he* could not have contacted Lloyds to do that. And although I can see that regular payments were being made into the account up until November 2019, there is no evidence to indicate that there were any unsuccessful attempts to withdraw money from the account.

It's also the case that, as the account in question is a sole account in Mr E's name (and has been for a number of years), Mr E is the eligible complainant in this complaint and not his mother. This means that I can't award any compensation for any distress or inconvenience that she may've experienced since the account had been switched into Mr E's sole name.

Therefore, whilst I appreciate that Mr E's mother may be disappointed by this, I'm not able to say that Lloyds acted unfairly or unreasonably in this matter.

### **My final decision**

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 10 December 2024.

Thomas White  
**Ombudsman**