

The complaint

Ms R complains that Lloyds Bank PLC won't accept the ID documents she has sent to it in order to reopen accounts which have been made dormant.

What happened

Ms R had a current and savings account with Lloyds which had been inactive since November 2018. According to Lloyd's notes, in August 2023 Ms R contacted it for assistance with logging on to the account. It gave her advice about how to carry out an automated authenticated call. She contacted Lloyds again in December 2023 to advise that she was still unable to log on to the accounts. She was advised that this was because the accounts had been made dormant from November 2023, having had no activity on them for more than three years.

In an email in January 2024, Lloyds explained what Ms R needed to do to reactivate the account. As she lives overseas and so couldn't visit a branch, she was told to send certified proof of her ID and address. She was asked not to send ID or account details by e-mail. Ms R says she wanted Lloyds to accept the documents by email but felt forced to post the documents at great expense to her time, health and finances.

Having received the ID documents, Lloyds said they couldn't be accepted as they were scans of the certified copies and the documents were not clear enough to be used. In response Ms R denied that the documents sent through were scans and said that they were photocopies. She emailed the copy documents to Lloyds and said that this showed that they were clear copies. She asked Lloyds to accept the copies but it explained that its dormancy team could not do so.

Ms R complained that Lloyds had unreasonably refused to accept the documents she had sent to reactivate her accounts. She also said that Lloyds persistently deleted the emails she sent through. She claimed to have lost money over the years by not being able to withdraw or deposit into the accounts. She also claimed for the cost of treatment in respect of the way that the matter had affected her mental health.

Lloyds said that the certified copies were not clear enough to be used and that Ms R should send through clear photocopies of the documents notarised as advised in the guidance it had sent to her. It explained that it could not accept ID documents by email as this was not a secure way of getting in touch with it. It had not deleted any emails but declined to send through the full email thread each time it communicated with Ms R.

On referral to the Financial Ombudsman Service, our Investigator said that she did not think that Lloyds had acted unfairly in not removing the accounts from dormancy. This was because it said that Ms R hadn't supplied it with acceptable certified copies. She also didn't think that Ms R had showed that she had made any financial loss.

Ms R didn't agree and 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.

Where the evidence is incomplete or contradictory, as some of it is here, I have to make my decision based on what I think is most likely to have happened. But it may be that I can't make a finding and if this is the case I shall say so. I have a duty to be impartial so I have to assess both parties' evidence fairly.

Ms R has asked us to require Lloyds to remove her account from dormancy as she believes that she has supplied all the necessary information to enable it to do so. I should say that the process carried out by the dormancy team and the requirement that Ms R provide appropriate proof of ID is so as to ensure that the person requesting the account to be reactivated is the customer concerned and there is no possible fraud involved. For that reason I do think it's reasonable for Lloyds to apply strict rules to comply with its regulatory obligations in this respect. For the same reason I think that Lloyds must be entitled to be the one making the decisions about what is required and what is acceptable. So I wouldn't consider it appropriate to require Lloyds to accept the ID submitted. But I can look at whether it has acted fairly and reasonably.

First of all though Ms R is not specifically complaining that Lloyds won't accept her ID documents by e-mail she did say in her complaint to us that she felt forced to post the documents to it at great expense to her time, health and finances. Lloyds has advised repeatedly that it does not accept ID documents by e-mail. This is a security issue which from my experience most banks will apply. The reason is of that an e-mail account could be hacked and for the same fraud concerns copy documents sent through such an account can't be verified as genuine.

I'm aware that once the documents Ms R had sent by post were rejected by Lloyds, Ms R sent them by e-mail. I don't think that Lloyds could accept the documents sent in that way. Although I think that Ms R wanted to demonstrate that the copies she had sent by post were clear and legible.

Turning now to the actual documents sent by post, I've not seen the actual originals all those as seen by Lloyds. But, I've noted that Ms R has sent to us several copies of the documents that she had sent to Lloyds, and she asserts that this is how clear the documents appeared to Lloyds. I understand her frustration, in my view the proof of address document looks clear, but I don't think that the copy of the passport does. A lot of the wording is blurred and I could not reasonably fault Lloyds if it thought that the document wasn't clear enough for its purposes.

Lloyds also said that the documents supplied were scans of the originals. Ms R denies this but if they were photocopies of the notarised document, rather than photocopies with the original notarisation, I don't think this would be acceptable either. As I've said above, if I can't make a finding on a particular point then I shall say so. And on this point I don't think that I can make a finding.

To deal with Ms R's point about the loss of income, there were two accounts here, a savings and current account. Both of them had a balance of around £5 and neither had been used since 2018. They were only made inactive in November 2023, so there was nothing preventing Ms R from depositing her income or making any withdrawals until that time. There was also nothing stopping her from opening up an account with another bank. I am sorry to see that she has had to pay for treatment for mental health. However as I also don't think that Lloyds made any error here, I will not be requiring it to pay any compensation.

With regard to Ms R's assertion that Lloyds deleted emails, I think that clearly did not happen. I understand that when Ms R received emails she expected to receive the entire email chain each time. We would regard that as being in danger of breaching the general data protection regulation (GDPR), in that personal information might be included lower down in the thread. Also the file would then have large amounts of repeated information. I think Lloyds acted reasonably here.

So overall I think that Lloyds acted appropriately. Both in requiring Ms R to supply ID documents by post and in assessing whether the documents were sufficient for its purposes. I can only suggest that Ms R provide further properly certified photocopies of her ID documents to Lloyds.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 13 February 2025.

Ray Lawley
Ombudsman