

The complaint

Mr W complains about the difficulty Bank of Scotland, (trading as Halifax) caused him when he tried to reopen a dormant account.

What happened

Mr W said his account had been inactive for over three years, and was dormant. Halifax said an account can be reactivated at any branch with the account details, photo ID and recent proof of address.

Mr W has a medical disability which means he couldn't go to the branch to reopen his account and couldn't speak on the phone. He wanted Halifax to accept proof of address and ID documents as an email attachment to reopen his account. And he wanted Halifax to pay him compensation for discriminating against him. He complained to Halifax.

Halifax said Mr W's dormant account is only one of four accounts he holds with the bank and the other three remain active. Halifax said the account was opened in 2014 and had never been used and so had a nil balance. Halifax advised Mr W that there are other options for third party involvement to assist him in visiting the branch, or a representative for his affairs.

Mr W wasn't satisfied with Halifax's response and referred his complaint to our service. Halifax changed its position and decided to accept Mr W's emailed ID and reopen his account. It said there was no financial detriment to Mr W from the delay, but offered him £100 compensation for the distress and inconvenience caused.

Mr W still wasn't satisfied with Halifax's response which he described as very discriminated and disgusting. He said the initial responder from Halifax needs training and had no right to tell him to arrange a representative for his affairs. He said he wanted £500 compensation.

Our investigator didn't recommend the complaint be upheld. He said although Halifax initially advised Mr W to go to its branch to reopen his account, it then it accepted his ID by email and reopened his account. The investigator thought that Halifax's offer of £100 compensation was fair as there was no financial detriment to Mr W. He said it isn't for our service to make a finding on discrimination, this is for the courts to decide.

Mr W disagreed with the investigator and requested an ombudsman review his complaint. He said Halifax has no legal authority to ask him to get a representative for his affairs and it had acted in contravention of the Human Rights Act.

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.

Mr W finds it discriminatory that Halifax's requirements for reopening an account preclude him from accessing his account. In its initial response Halifax said it doesn't have means of verifying him against the digital documentation provided in his email message.

I can see that Halifax's initial response to Mr W was unhelpful in that he felt he was given no alternative other than to attend branch to reopen his account. I think it did provide other alternatives, and so in that respect I haven't found that it discriminated against Mr W, though it could have been more considerate of his accessibility requirements. I haven't made a finding in respect of the Human Rights Act as that would be a matter for the court.

Mr W said Halifax had no right to tell him to arrange a representative for his affairs as he is quite capable of managing them. It might well be overstepping the mark for Halifax to tell a customer to do this – but it didn't. It made this as a suggestion alongside some unspecified third-party assistance as a possible means for Mr W to overcome his difficulties in reopening his account. As such I think it was reasonable for Halifax to put forward these suggestions for workarounds to Mr W's accessibility requirements.

I'm pleased that Halifax decided to accept Mr W's ID by email so that he didn't have to attend branch or use the assistance of a third party. I think this was reasonable in the light of the mobility difficulties Mr W faces. It would have been preferable if this had been Halifax's initial response.

From Halifax's records I'm satisfied the bank has never prevented Mr W from accessing his funds within his four Halifax accounts as the dormant account has never held a positive balance. In this respect I can't see that Mr W has suffered any detriment from the short delay in the reopening of his account.

I have considered Halifax's responses to Mr W's complaint. I think that by adjusting its approach to accepting the ID evidence he provided by email and him offering £100 compensation it has responded very fairly to his complaint. I recommend that Mr W contact Halifax to accept payment of the compensation.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 28 November 2023.

Andrew Fraser
Ombudsman