

## The complaint

Mr S complains that Bank of Scotland plc trading as Halifax can't find an account that he has the passbook for. Halifax says it no longer has this account, but Mr S says he never closed it. He wants Halifax to honour the account.

## What happened

Mr S said he had a savings account with a bank that's now part of Halifax. He had always had the passbook, but he hadn't touched the account for many years. Recently he asked Halifax for the money, and it said it couldn't find the account. He wanted us to help him.

Halifax said that it had conducted a thorough search for Mr S's account, using his current and former address details. And it can't find the account. It could have been closed. Halifax said that money can be taken out without the passbook, and a passbook isn't evidence that the account is still open. Halifax keeps records for a maximum of ten years, so if this had happened long ago, it would no longer have evidence of this. Halifax suggested that Mr S should look at other accounts he'd had at the time, so he could check if the money had been paid in there.

Halifax said it did feel that it had let Mr S down when he first enquired about the account, because it hadn't checked right away whether there was still an account open for him. So it said that it would offer £75 for that inconvenience.

Mr S accepted the payment for inconvenience. But he said that Halifax should have proof that the account was closed, and if it didn't, then the assumption would be that it's still open. And he stressed that he'd asked for a lifetime savings account. Mr S also said he'd noted the passbook to say that no withdrawals should be permitted without it.

Our investigator didn't think this complaint should be upheld. He didn't think that Mr S's passbook was evidence that the account was still open now. He told Mr S about the checks Halifax had done. He said if Mr S's account was still open, those searches would've located it. So our investigator thought it was most likely that it had been closed some time ago.

Our investigator did think that Halifax had let Mr S down because it hadn't checked right away when he asked it to look for the old account. But our investigator thought Halifax's payment of £75 did make up for that.

Mr S didn't agree. He said he had evidence of his account, in the form of the passbook, and he had trusted that this was the only way to access his account. He said Halifax didn't have any evidence. He thought he'd been mis-sold the account, as he wanted a life savings account. And he said that branch staff had always asked him for his passport and his passbook before he could access the account. Mr S was concerned about the wider implications of banks being able to delete data, but our investigator explained we can only look at his complaint.

Because he and our investigator didn't agree, the case was then passed to me for a final 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've reached the same overall conclusion on this complaint as our investigator.

Mr S says that this is a lifetime savings account. I haven't been able to establish, on what I've seen, that this account was different from other savings accounts. It seems to have been an ordinary savings account, which Mr S says he intended to hold for some time. Mr S has suggested that he asked for a lifetime savings account, and that this account may have been mis-sold. That's not what he's complained about to Halifax though, so I can't consider that here.

I realise that Mr S strongly believes that Halifax shouldn't just be able to say it can't find the account, and that this account may have been closed some time ago, so it won't have records. He thinks that it should've kept records for this account. And in the absence of those records, proving what's happened to his money, he thinks Halifax should honour the account.

Mr S still has his passbook, and he's told us that he's had it in his possession since the account was last used in the early nineties. He said he hadn't updated his address at the bank, but he didn't think he needed to. He felt that the account should've been safe, while he had the passbook. And he pointed out that he'd noted the passbook to say no withdrawals should be permitted without it.

If Mr S writes on the passbook to say he only wants to be able to take money out when he has the passbook, that doesn't change a bank's approach to its accounts. Banks and building societies will still allow an account to be closed without the passbook being handed in. They have to do that. Passbooks can get lost or damaged or stolen. The bank or building society doesn't get to keep the money when that happens. The money still has to be given to the account holder. So I think that this account could have been closed even though the passbook wasn't given back.

Mr S said he has evidence, and Halifax doesn't. I don't think that's quite right.

Mr S's passbook is good evidence that there was an account at some point. But unfortunately it doesn't provide any evidence that this account is still open. So Mr S has shown us evidence that shows there was an account at one point, and that suggests it was open until the early nineties.

Halifax has searched for this account on its records, and it doesn't appear. Halifax has shown us the screenshots of these searches, so I'm satisfied that they've been done, and that nothing has been found. So Halifax does have evidence. Its evidence shows that it doesn't have an account for Mr S now.

None of that proves what has happened to the account. And if there's no proof of that, either way, then what I need to do is consider all the evidence that I've been shown, and decide what is most likely to have happened here. And, weighing up the evidence we do have, I think it is more likely that Mr S has closed this account, without returning the passbook.

I know that Mr S thinks that Halifax shouldn't just be able to say that it has no records of the closed account. He thinks it should have to keep records of closed accounts, so it can prove what has happened to them. But our investigator has explained to Mr S that banks and building societies aren't supposed to keep hold of personal information forever. They aren't supposed to just hang on to information in case it might be helpful in future. They aren't supposed to keep information if they don't have a business need for it.

The last records we have of this account are from over twenty years ago. So I don't think it's surprising, if this account was closed some time ago, that Halifax doesn't still have a record of this now.

I realise that Mr S won't agree with me, but I just don't think that this account still being open is what is most likely to have happened in this case. I think Halifax has done all I would expect in searching for the account. Because it can't find it, and because there's nothing else to suggest that the account is still open now, or indeed has been open since the early nineties, I think it is more likely that the account was closed.

I understand how strongly Mr S feels about this, so I know Mr S will be disappointed, but I don't think that his complaint should be upheld.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 19 October 2020.

Esther Absalom-Gough  
**Ombudsman**