

The complaint

The executors of the estate of Mrs A complain that Santander UK Plc has failed to locate a savings bond for which a current passbook is held.

What happened

Mrs A sadly passed away in April 2018. So this complaint has been brought by the executors of her estate. And the executors have been assisted in making the complaint by another family member. But in this decision, for ease, I will simply refer to the complainants as “the executors”, and treat all communication as if it has been with, or from, them.

The complaint relates to savings that were held with Abbey National. That bank became part of Santander in 2010 and any open accounts were migrated to Santander. It is therefore Santander that is the subject of this complaint, and is responsible for dealing with it.

Following Mrs A’s death two passbooks for accounts she held with Abbey National were discovered. The passbooks indicate a transfer of £10,000 took place in September 1994 closing the original account (a high yield bond) and opening a new account (a triple growth bond). No further transactions are shown in the passbook of the triple growth bond suggesting to the executors that the account remains open.

Santander says that it has carefully searched its records, and notes that data protection regulations require it to not retain records of closed accounts any longer than necessary. It says that generally it would only hold information on a closed account for a period of seven years. Santander says that it doesn’t hold any open accounts in Mrs A’s name, or details of the triple growth bond being closed. So it has concluded the balance of that account must have been withdrawn before the accounts were migrated from Abbey National. The executors don’t agree with that conclusion so have brought the complaint to us.

The complaint has been assessed by one of our investigators. She thought that the evidence supplied by Santander showed that it had completed appropriate searches of its records and failed to locate any accounts belonging to Mrs A. So she said there was no evidence that Santander had acted incorrectly and didn’t think the complaint should be upheld.

The executors didn’t agree with that assessment. So, as the complaint hasn’t been resolved informally, it has been passed to me, an ombudsman, to decide. This is the last stage of our process.

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.

In deciding this complaint I’ve taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by each of the parties. Where the evidence is unclear, or there are conflicts, I have made my decision based on the balance of probabilities. In other words

I have looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

At the outset I think it is useful to reflect on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

I can understand the executors' concerns that something must have gone wrong here. They've provided evidence of a passbook showing a balance was transferred to the account in 1994, and there's nothing to show that this money is no longer there. I'm sure this has been made more distressing by the sad circumstances that have led to them making this complaint.

The only transaction entered in the passbook was in September 1994, almost 30 years ago. That entry showed a transfer into, and corresponding balance on, the account. But that isn't enough for me to be able to conclude that the account is still open or that Santander still has the money that was in it.

Banks and building societies don't have to keep records of withdrawals, account closures or transfers forever. But they will keep records of open accounts, even if they haven't been used for some time. If the balance in Mrs A's passbook was still with the bank, I'd expect it to appear in Santander's records.

I've seen Santander's records of the searches it has done for this account. Those records satisfy me that it hasn't been able to find the account, or in fact any active relationship with Mrs A. This suggests to me that the account was indeed closed some years ago – most likely before the accounts were migrated from Abbey National. Santander explains that the passbook wouldn't have been required to close the account. That isn't unusual, as most such accounts allowed for the situation where a passbook had been lost or misplaced. I wouldn't expect Santander (or Abbey National before it) to refuse its customer or an authorised representative access to their money if they had mislaid their passbook.

I have thought carefully about what the executors have told us about Mrs A, and how carefully she maintained her financial records. From the information they have provided I cannot reach any conclusions about what might have happened to the balance in this account. But, while I can appreciate how the executors feel about the matter, given the passage of time I wouldn't necessarily expect Santander to now be able to show what happened to the money either.

In the circumstances, I share the investigator's view that it's most likely Mrs A's account was properly closed a number of years ago. I don't think Santander still has Mrs A's money, so – while I know the executors will be disappointed – I can't fairly tell it to pay them anything.

My final decision

For the reasons given above, I don't uphold the complaint or make any award against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask the executors, on behalf of the estate of Mrs A, to accept or reject my decision before 9 April 2024.

Paul Reilly
Ombudsman