

The complaint

Miss P complains that Bank of Scotland plc trading as Birmingham Midshires (“BM Savings”) can’t locate an old savings account for which she holds a passbook recording that in 1997 she opened an account and deposited £2,500. Miss P wants BM Savings to pay out the proceeds of the account plus interest.

What happened

Miss P contacted BM Savings in October 2023 regarding a passbook she has from BM Savings where the only entry on 16 July 1997 showed a deposit of £2,500. Along with this she also has an annual certificate of interest for the tax year ending April 1998 showing interest paid on 31 August 1997.

BM Savings has searched its records and couldn’t find any trace of the account or any unclaimed funds connected to it. It says if the savings in question had ended up dormant – rather than the funds withdrawn – information would’ve shown up under unclaimed assets. As this wasn’t the case and nothing at all has shown up it believes the account to have been closed over 10 years ago. BM Savings did confirm that another account ending in 9628 was traced back to 2004.

Miss P was unhappy with this. She wants BM Savings to pay out the proceeds of the account plus interest and brought her complaint to this service.

One of our investigators looked into Miss P’s concerns but due to the time that had passed didn’t think there was enough evidence to show the account hadn’t been closed and didn’t think it would be fair to hold BM Savings accountable for the funds.

Miss P disagreed, she says had her local branch of BM Savings not been closed she would’ve been using her passbook account. She says that funds can only be withdrawn from the account or the account closed with a passbook and as the passbook doesn’t show these transactions it is proof BM Savings has her money. Miss P has asked for an ombudsman’s decision on the matter.

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.

It might help if I explain that my role is to look at the problems Miss P has experienced and see if BM Savings has done anything wrong. If it has, I would seek – if possible - to put Miss P back in the position she would’ve been in if the mistakes hadn’t happened. And, where there’s a dispute about what happened – as in this case – I’ll base my decision on what I think is more likely to have happened in light of the evidence.

And having considered everything, I’m in agreement with our investigator there isn’t enough evidence to persuade me that the account hasn’t been closed or that BM Savings has withheld the proceeds from the account.

BM Savings have searched its records and can't trace the account in question. Nor is there any sign of the account or the proceeds on the unclaimed assets register.

I think had the money Miss P says is missing remained unclaimed it would've shown up during the search. I also think BM Savings would've likely notified Miss P about the status of the account and the unclaimed proceeds – rather than just leave it dormant for over 25 years.

Miss P says having her passbook is proof that BM Savings have her money – but I disagree - all this proves is at one time she had an account with it.

Miss P has provided a certificate of interest from 1998. But rather than persuade me the account was still open at this time, it does the opposite. I say this as the certificate represents the interest paid for the tax year ending April 1998 and only shows one payment of interest on 31 August 1997 - a month after the account was open.

If the account was still open, I would've expected Miss P to have received further certificates of interest. Indeed, for tax purposes BM Savings would've been required to issue them. And given what Miss P says regarding her passbook and this account being her life savings – I would've thought she'd have deposited some money or at least checked on the account in the past 25 years.

So the fact Miss P hasn't been able to show she received any further information relating to the ongoing operation of the account since this time suggests to me it is more likely the account was closed and the money withdrawn or perhaps transferred to Miss P's account ending 9628. I simply haven't seen enough to conclude any other outcome.

I'm also unable to say BM Savings have done anything wrong in not holding on to information for more than 10 years – they aren't legally required to do so. It wouldn't be fair to penalise BM Savings for not holding on to information or being able to produce information for a longer period than it is obliged to.

So it follows – and I appreciate this will be not only disappointing but also deeply unsatisfactory for Miss P – that as I haven't seen any evidence to show me that BM Savings made a mistake or did something wrong I do not uphold this complaint.

My final decision

For the reasons I've explained I've decided not to uphold Miss P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 8 April 2024.

Caroline Davies
Ombudsman