

## The complaint

Mr T complains Bank of Scotland plc, trading as Halifax, say his savings account was closed in 2010 and the funds withdrawn when he hadn't done so. Mr T is also unhappy his representative was told the account had fallen dormant and they needed to write to a specific team to investigate this but later were told the funds had been withdrawn.

Mr T is represented by a family member, but to keep matters simple, I will mainly refer to him in my decision. Where I think there's a need to refer to the representative, I will be referring to them as "Mrs T".

## What happened

The details of this complaint are well known by both parties, so I won't repeat them again here in detail. Instead, I'll focus on setting out some of the key facts and on giving my reasons for my decision.

Mr T says he holds an account with Halifax. Mrs T says she was authorised as a signatory on it as Mr T had moved overseas. Mr T adds that he was using the account to save for his retirement and rainy days. Both Mr T and Mrs T say they forgot about the account until Mrs T stumbled upon the passbook. Mrs T says she then went into a Halifax branch to inquire about the account's status and balance.

Mrs T says she was told the account had become dormant and could only be reactivated by Mr T who had to be present in the UK to do so. Mr T travelled to the UK in February 2024 and visited a branch with Mrs T.

Mr T says they were dismayed to learn the account no longer existed and being told any accounts that have been inactive for over 15 years, are transferred to the Treasury. Mr T completed a lost accounts form but was told the account couldn't be located. Mr T gave Mrs T power of attorney so that she could continue looking into this matter whilst he returned to his residence overseas.

Mr T complained. Halifax didn't uphold his complaint. In summary, Halifax made the following key points:

- When Mr T visited Halifax's branch, he was given the wrong information and didn't need to complete a lost account form as his account wasn't lost or dormant. Because of this Halifax sent Mr T a cheque of £50 as compensation
- Mr T's account was closed in September 2010 with a final balance of around £6,700 repaid at the time. Halifax appreciates Mr T still has a passbook but based on a valid request from him the account was closed in line with its procedures. So there are no funds to return

Mr T referred his complaint to this service. He added that Halifax failed to provide any details as to the recipient of the repayment, and the funds seem to have disappeared without trace. One of our Investigator's looked into Mr T's account and recommended it wasn't upheld. In

summary, their key findings were:

- A passbook showing a balance isn't a guarantee that the funds were not withdrawn. Banks didn't collect passbooks when they changed to non-passbook records
- The last transaction on Mr T's passbook shows there was a balance of around £6,600 in the account in June 2009. The documentation provided by Halifax shows transactions up until September 2010 until the account was closed. So the passbook alone isn't evidence enough of what money Mr T had with Halifax
- Banks don't have to keep records for more than six years, and it's been approximately 15 years from the date of the last entry in the passbook. And 14 years from when Halifax say the account was closed
- Having looked at the information Halifax has sent, the account was closed on 21 September 2010, and the funds withdrawn
- Both Mr T and Mrs T say they didn't withdraw the funds, but given the length of time that has passed, things may be forgotten. Had Mr T not closed the account or withdrawn the funds, its likely he would have contacted Halifax much sooner than he did. So, on the balance of probabilities, its most likely Mr T closed and withdrew the funds - and has likely forgotten about it

Mr T didn't agree with what our Investigator said. In summary, the key points he made were:

- In February 2010, Mr T visited the UK solely to attend a family member's funeral and didn't return until 2015. As a designated authority, Mrs T didn't withdraw any funds, as the passbook needed to do so was in her possession
- Neither Mr T nor Mrs T initiated a closure of the account. £50 compensation isn't sufficient compensation given Mr T's age, and the considerable distress and financial instability the loss of funds has caused him
- The absence of further entries in the passbook is not indicative of a withdrawal by Mr T, but a lack of opportunity to update it after 2009. Weight should be placed on the passbook as reliable evidence
- Mr T withdrawing the funds in September 2010 is wholly unfounded and ignores the undisputed fact Mr T was residing abroad at the time. No evidence has been presented that Mr T physically visited a branch in the UK to make a withdrawal
- Mr T didn't need to actively access his account as the funds were saved for a rainy day. This lack of activity doesn't imply the account was forgotten or closed by Mr T
- Halifax initially said the account was dormant and it had no record of it. This indicated the account wasn't closed by Mr T. Halifax's subsequent response that the funds were sent to the Treasury after 15 years of inactivity is concerning and suggests a potential error on its part

As there was no agreement this complaint was passed to me to decide. I then asked both parties to send me more information, including for Mr T to show he wasn't in the UK in September 2010 as he says. Both parties have sent me the information requested.

I will now decide this complaint.

## What I've decided – and why

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however that I've considered everything Mr T, Mrs T and Halifax have said before reaching my decision.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I have decided not to uphold this complaint. I'll explain why.

Mrs T says she found the passbook during the pandemic which jogged their memory about the account and the funds held in there. Mr T has provided me with a copy of the passbook, and I note the last entry Halifax made in it was in June 2009. But this doesn't, in of itself, mean the account was still open. The passbook is effectively a snapshot in time, and if anything, shows Mr T's account was still open in 2009.

Halifax say Mrs T was given the information about contacting lost accounts to reclaim the funds if the account had become dormant as it wasn't showing on its branch systems. Halifax doesn't have any branch notes from this interaction. But in its final response letter, Halifax accepted it erroneously informed Mr T the account was dormant.

I've asked Halifax for more information about this, and it has said that its branch staff wouldn't be able to access *all* its systems and reports when trying to locate an account in this way. To that end, it has sent me a copy of its 'Investors account report' which it has run for Mr T. I have very carefully reviewed this report and note it contains yearly account and interest balances from 1994 up until September 2010. I'm satisfied the report has been run contemporaneously given the date on its header is April 2024.

On the report there is an entry for 21 September 2010 where the balance moved from around £6,740 to nil with the reference "*Overridden withdrawal*". Halifax say this reference means a manager's approval was required at the time to affect a withdrawal of the funds. Halifax adds that for any account closure, identification would have been required to close it. Based on this, Halifax is confident the funds were withdrawn by Mr T.

Halifax has also sent me screenshots from its other internal systems to show that no account is showing for Mr T. So I'm persuaded it has done all it can in searching its systems.

Mr T says he couldn't have made the withdrawal as he was living overseas at the time Halifax says the funds were withdrawn in September 2010. To support this, Mr T has sent me his, and his wife's, overseas bank statement which do show that transactions were being carried out through September 2010. He's also sent me credit card statements from an overseas provider which shows payments were being made in that country throughout September 2010.

Mr T has also sent in passport page copies with immigration stamps on them for leaving and returning to his overseas destination, and country of residence, in February 2010. I haven't been sent the photo page of the passport, but I'm happy to accept it in good faith as Mr T's.

Mr T has also sent a signed statement from his employer, that says he was working for them through the month of 'September 2020'. As the letter goes onto reference Mr T visited the UK in February and returned after seven days to attend a funeral, I'm happy to find it was likely the employer meant 2010 and not 2020.

After carefully weighing everything up, I'm satisfied that both parties haven't been able to provide me with conclusive evidence. On one hand I have a report from Halifax that the funds were withdrawn and on the other, evidence that Mr T wasn't in the UK in September 2010. But his evidence doesn't rule out that an additional cardholder may have been using his overseas accounts at the time. I also note Mrs T says she didn't withdraw the funds, which as a signatory, it's very likely she would have been able to do.

I must also consider that after around 15 years memories do fade with time, so it's a possibility Mr T and/or Mrs T have simply forgotten what happened. I have also to consider that Halifax is under no obligation to keep customer records beyond six years. I am however persuaded that Halifax has done all it reasonably can to locate any records it still holds.

So, as I don't think the evidence on this complaint is conclusive enough to reach a finding, including on the balance of probabilities, I have decided that I can't uphold it. That means I won't be directing Halifax to return any funds to Mr T.

Halifax paid Mr T £50 for making an error in saying the account was dormant in branch and a search for it would have to be done. But like I said earlier this isn't clear given the branch couldn't see any record of the account on its systems due to its limitations with accessing information. So, it's equally likely this was said in the way Halifax say it was, that is it *may* be dormant. So I don't think Halifax need to do anymore.

### **My final decision**

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 10 January 2025.

Ketan Nagla  
**Ombudsman**