

The complaint

Mrs S complains that Bank of Scotland, trading as Halifax, has been unable to find an account after she presented it with a passbook.

What happened

The circumstances that led to this complaint are well known to both parties, so I won't repeat them in detail here. But, in summary:

- Mrs S found a Leeds Permanent Building Society (LPBS) passbook when she was having a clear out at home. This showed account activity between 1990 and 1995 with the last entry reporting a balance of £3,000. She presented this to Halifax - because LPBS merged with Halifax in 1995 – and asked it to release the money, along with interest.
- Halifax searched its records but could find no trace of the account. Mrs S didn't accept this and asked us to look into the matter.
- Our investigator concluded that it was more likely than not the money had been withdrawn and the account closed some years ago. Mrs S remained unhappy with this answer, so the complaint has come to me to review.

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 appreciate Mrs S feels that finding an old passbook showing a balance present on the account must mean the account should still exist and still hold a balance. And that she should be able to withdraw that balance. With this in mind, in my experience, it will usually be recorded in a passbook when the money has been withdrawn and the account closed. But passbooks can be mislaid and then found at a later date. Account holders are entitled to access their money, so banks usually allow withdrawals to be made without them, even if the passbook says explicitly that it must be presented. In such circumstances the bank will usually verify the accountholder's identity using other methods. When that happens the passbook will not have been updated to show the withdrawal and closure.

I also think there is a possibility, in this case, that the account changed in some way when LPBS and Halifax merged. As noted above, this happened around the time of the last entry in Mrs S's passbook. Halifax offered passbook accounts for many years after 1995 so I think it's possible Mrs S may have been issued with a new passbook or the account may have transferred to a non-passbook type. I would usually still expect to see the old passbook having been cancelled but, again, for one reason or another that doesn't always happen.

In any event, the bank has shown me that it has searched for the account, or any other accounts in Mrs S's name, using both the account number and/or Mrs S's name and address. But it had no records of her or the account. It also has an inactive and dormant

account team who could find no accounts linked to the passbook or Mrs S. I wouldn't expect a bank to keep records indefinitely about closed accounts – it's just not practical to do so.

Where evidence is incomplete, inconclusive, or contradictory (as some of it is here), I have to make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

I think Halifax has done enough to show that the money was, more likely than not, withdrawn and the account closed at some point following the last entry in the passbook. In all the circumstances, I can't fairly instruct the bank to pay out the balance that's showing on the passbook, or any interest.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 1 March 2024.

Ruth Hersey
Ombudsman