

The complaint

Mr T complains that Lloyds Bank PLC hasn't traced two savings accounts that have been in his name since 1969 and 1973. He wants Lloyds to find the accounts and pay him the funds.

What happened

Mr T went through his late father's papers and found two savings/passbooks in his name from when he was at school. He said the passbooks are provided by savings banks that became part of Lloyds Banking Group.

Mr T said the savings firms have told him that they cannot find these accounts and have no records. He provided Lloyds with a 'My Lost Account' form and copies of the passbooks, but Lloyds said it couldn't trace the accounts.

Mr T complained to Lloyds that he hadn't had the money and interest accruing from the accounts. Lloyds confirmed that it couldn't locate the accounts and said they weren't held with Lloyds. Mr T wasn't satisfied with this and referred his complaint to our service.

Our investigator didn't recommend the complaint be upheld. He said Lloyds carried out a search using the available information to locate the accounts, but due to the timescales involved, it's likely that the accounts have been closed with records of them being deleted. He said passbooks haven't been required for transactions for many years and so the accounts could have been closed without this being shown on the passbook.

Mr T wasn't satisfied with this outcome and requested an ombudsman review his complaint. He said the investigator hadn't requested evidence from the savings bank as Lloyds may not hold its records. He said if the account was closed after computerisation then there would be a digital record of any activity, but the absence of this supports that these accounts were probably classed as dormant before the computer era.

Mr T said that any investigation should be directed at the savings bank and their records because they took over the other savings bank and issued the school savings account. He said the investigator had produced no hard evidence that the accounts were closed and paid, and his conclusions are all based on theory.

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 can see how important it is to Mr T to trace the two savings accounts for which he holds passbooks. We can't make our own search, and our role is limited to reviewing Lloyds' actions in response to Mr T's complaint to see if it has responded properly.

We can't review actions of the savings banks as they are no longer part of the Lloyds Banking Group about whom this complaint relates. We can only consider Mr T's complaint against Lloyds. Having said this, Lloyds has confirmed that it holds all records of accounts from the savings banks notwithstanding the savings banks are no longer part of its group.

Both accounts to which Mr T refers were opened in the 1960s and 1970s and according to the passbooks last updated 50 years ago. Lloyds has said it conducted an '*extensive review*

of our records'. I've seen Lloyds' records of its search for the accounts and cannot see anything relating to the accounts, including any record of dormancy. I have no reason to believe that there has been any failing with Lloyds' investigation.

Regulated financial businesses are required to maintain records for six years after accounts are closed and so it is very likely that Lloyds has deleted records of these accounts. I agree with the investigator that it is most likely that the accounts were closed, and the balance withdrawn at a date after the last recorded entry in the passbook.

I'm sure Mr T is aware that passbooks aren't in themselves evidence of funds. Transactions could occur which were not recorded on passbooks, for example, passbooks can be lost and found at a later date. Account holders are entitled to access their money, so many banks allowed withdrawals without passbooks, or closed accounts without retrieving passbooks.

Mr T speculated that his accounts may have become dormant. I would expect the maintenance or transfer of a dormant account to show in Lloyds' records as the account would not be closed. A decision by Lloyds to close an account must be notified to an account holder by post.

The lack of any evidence of this makes it unlikely in my view that the accounts became dormant and still exist. I agree with the investigator that it's more likely the accounts were closed, and the balance withdrawn with records of this being deleted since the last passbook entries 50 years ago. It's reasonable of Lloyds not to have retained records from so long ago. Consequently, I don't think it would be fair to Lloyds to require it to pay Mr T funds that may have been in the savings account.

Mr T said the investigator has produced no hard evidence that the accounts were closed and paid, and his conclusions are all based on theory. The investigator correctly explained that where evidence is lacking we must decide on what we think is most likely to have happened and that is what he, and I have done. Whilst I appreciate that Lloyds hasn't provided any evidence that the accounts were closed and funds withdrawn, it is Mr T who is bringing the complaint and has responsibility to provide evidence in its support.

If Mr T does find any other information about these accounts, he should pass them on to Lloyds in the first instance to help them locate the accounts. If, after this, he remains dissatisfied it is open to Mr T to bring a complaint to our service if he wishes.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 15 April 2024.

Andrew Fraser
Ombudsman