

The complaint

Mrs T has complained that Skipton Building Society (“Skipton”) has not done enough to locate a passbook account.

What happened

Mrs T recently discovered an old passbook – with the last entry showing a balance of around £2,000 – with Scarborough Building Society (which later merged with Skipton Building Society).

Mrs T asked Skipton to locate the account as she had no recollection of ever closing the account, and so was of the belief that £2,000 should still be in the account.

As Skipton was unable to locate any evidence of the account on its records, Mrs T complained to Skipton.

Skipton issued its final response letter on 25 September 2023. Skipton explained that it had carried out a thorough search for Mrs T’s account in its records and it was unable to locate the account. Skipton said that the account must’ve been deleted and said that an account would only be deleted if the consumer didn’t have a ‘live’ account with Skipton for the last 6 years or more.

Unhappy with the response, Mrs T referred her complaint (via a representative) to the Financial Ombudsman Service.

One of our investigators assessed the complaint and they didn’t uphold the complaint.

As Mrs T didn’t accept the investigator’s conclusions, the matter was referred for an ombudsman’s decision.

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.

Having reviewed everything, I don’t uphold this complaint. I will explain why.

Firstly, I think it may help to explain that the passbook that has been located is evidence of the balance on the account at the time of the last transaction. However, it doesn’t necessarily prove that the account still exists, as Mrs T’s representative has said.

I say this because transactions can take place on a passbook account without the passbook being present or updated. As such, just because an old passbook shows an outstanding balance, this does not necessarily mean that the last balance showing on the account still exists, or indeed that the account still exists.

In this case once Mrs T approached Skipton, it says it carried out a thorough search of its records to locate either the account in question, or a customer profile for Mrs T. Skipton has said that having carried out such a search, it was unable to locate either. Skipton has said that if an account is closed, then under the data protection rules, it will delete information relating to that account after 6 years. So, Skipton concluded that as it could not find any record of Mrs T’s account or a profile in her name, that means the account was in all likelihood closed more than 6 years beforehand.

Conversely, Mrs T has said that she doesn't recall closing the account and so says that the money should still be there. Mrs T's representative says that if the account was closed, then it must've happened at some point between April 1998 and when Mrs T moved house in July 1999. This means that if the account was closed by Mrs T and the money taken out of the account in that period, it would've taken place around 24 years ago. Given the large timescales involved, I have to be mindful that recollections can change or fade over time. This means that I can't place as much weight on Mrs T's recollections than she or her representative would perhaps like me to.

Having considered the evidence that Skipton has provided, I am satisfied that it did look through its records, using different search criteria. And despite doing that, it was not able to locate any accounts for Mrs T.

So, when weighing everything up, based on everything that Mrs T, her representative and Skipton have provided to this service, I think it's more likely than not that Mrs T's account was closed and the money paid out to her more than six years before Mrs T contacted Skipton.

As a final point, Mrs T's representative has found information on the internet that indicates that some savings accounts, potentially including Mrs T's, were managed by Scarborough Investments Direct (SID). Having looked at the FCA register, I can see that this was a trading name for Skipton Building Society from 16 July 2009, presumably inherited by Skipton following the merger of the two businesses. So, I can't see any reason why Skipton's search of its records would not have included any accounts that were previously managed under the SID trading name.

So, taking everything into account, I've not seen enough evidence to say that Skipton should pay Mrs T the last recorded balance of her passbook account.

My final decision

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 25 July 2024.

Thomas White
Ombudsman