

## **The complaint**

Mr B complains that HSBC UK Bank Plc has failed to identify his savings accounts and can't account for their closure or where the funds have gone.

## **What happened**

Mr B said that in the mid-1990s he opened four accounts in his name, including a cash ISA and high interest savings accounts, but forgot about them until statements were unearthed. He went to his local HSBC branch, but staff had difficulty finding any details. Eventually staff told Mr B that £69 had been found for one of his accounts that was closed in 2005.

Mr B said the branch couldn't find anything on the other accounts and would escalate it within HSBC. Mr B didn't hear anything and complained. He said HSBC called him in November 2023 with nothing further but could send him the £69. Mr B said HSBC has a duty of care to safeguard customers' money and to keep suitable records. He said HSBC told him it would set out its position in writing, but this took 12 days to arrive after it was written.

In its response to the complaint HSBC said it couldn't locate the 'previous closed accounts' as it only holds information for six years as per its policy. It said it could credit Mr B with £69 from one of his closed accounts. HSBC said this was not a complaint we could consider as it had been brought more than six years after the event complained of.

Mr B wasn't satisfied with HSBC's response and referred his complaint to our service. He said he hadn't been affected financially, but can't believe a bank can take in funds and then be unable to find them. He said there should be in excess of £4,300 plus interest in the four accounts and would like this returned. Mr B said that being told HSBC only keep records for six years just isn't good enough and HSBC can't prove that the accounts were closed.

Our investigator said we can consider the complaint as Mr B only became aware of his cause of complaint when bank statements were discovered a year or so ago and so this falls within the three-year rule. However, the investigator didn't recommend that the complaint be upheld. She said HSBC has shown that it has exhausted all efforts to locate the accounts and is only required to retain records for six years.

The investigator said Mr B had concerns about HSBC's records of his address history and she had provided HSBC with a list of his addresses to ensure all searches were explored. But this hasn't produced any further information. She said the key information is the sort codes and account numbers, and HSBC based their searches on these.

Mr B wasn't satisfied with this and requested an ombudsman review his complaint. He said he hadn't closed the accounts or given authority for their closure and hadn't received the funds. He said HSBC failed to show when three of the accounts were "allegedly" closed or who authorised this, or why only one account, on closure, has had money credited to it. He said the account tracing service, Mylostaccounts.org had not been able to locate the accounts.

## **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'm satisfied this a complaint we can consider within our rules. In particular the rule stating a complaint must be brought within three years from the date on which the complainant was aware (or ought reasonably to have become aware) that he had cause for complaint. I'm satisfied that Mr B only became aware he had cause for complaint relatively recently, and so I can consider this complaint under this rule.

Mr B said that there was at least £4,300 in credit within the accounts and has raised a number of questions, such as why is HSBC able to identify an account closed in 2005, but not others? If the accounts were closed at the same time wouldn't all have had money credited to them? And why was the credit added to a closed account and why wasn't he notified of this?

Our investigator, and more importantly HSBC, have tried to answer these questions to discover what happened to Mr B's account. However, due to the passage of time there are no satisfactory answers.

HSBC said it had been provided with the account numbers, which is more relevant than any other information such as customer addresses in identifying accounts. HSBC said the accounts as previously held, were closed, but due to the time elapsed since the accounts were closed, it does not have any information on the accounts. HSBC said this is due to the data retention restrictions that it follows.

HSBC say the one account it was able to identify was closed in 2005. I've seen HSBC's record that shows the account in question was closed on 21 December 2005, with an unclaimed balance of £69. HSBC's records do not show on whose authority the account was closed.

HSBC has provided proof of its searches to locate the other accounts to which Mr B referred and I can see the search was escalated internally and additional checks were carried out. The end result of this is the remaining disappointment for Mr B that only one out of the four accounts has been located.

Banks and other financial businesses are only required by data protection law to retain information for six years. This timescale applies to data relating to closed accounts, and so if HSBC had not closed the accounts, they are likely to be considered as dormant and consequently records would need to have been retained. The deletion of the records by HSBC on this timescale indicates the accounts were closed more than six years before Mr B's enquiry. This would seem to be confirmed by the lack of any account information uncovered by Mylostaccounts.org.

Mr B has brought the complaint to us and so the responsibility to 'prove' what he has said about the likely existence of the accounts rests with him. I can see that he doesn't accept the information HSBC has provided, but he has no information about the ongoing existence of the account. And so it wouldn't be fair for me to require HSBC to pay the money he said was in the account. Should Mr B find any more recent information about the accounts he should bring this to HSBC's attention.

I appreciate this has been a frustrating process for Mr B, but I'm satisfied that HSBC have completed all necessary checks to try and locate the accounts.

### **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 B to accept or reject my decision before 27 August 2024.

Andrew Fraser  
**Ombudsman**