

The complaint

Mr S complains that The Co-operative Bank Plc (the Co-op) has been unable to trace where funds he had held in a two-year fixed rate bond were paid to when it matured in 2016.

Mr S is represented in this complaint by a third party - Mrs M. But for ease of reading, I'll refer to Mr S throughout this decision.

What happened

Mr S opened a two-year fixed rate bond with Britannia – part of the Co-op group, with a deposit of £16,000 in April 2014. He says he was reminded of this account recently when he came across the passbook for the account and some other documentation relating to it. Mr S recalls completing and returning a maturity option form in 2016, but he has no recollection of receiving the funds.

Mr S says he has only ever held one current account and he has approached that business to see if the funds were deposited with it. But that business says it has no record of the amount involved being deposited with it within the six months after Mr S' bond matured.

Mr S asked the Co-op to trace what had happened to the matured funds. But unhappy with the service he received, he referred the complaint to this service before the Co-op had completed its investigation.

In responding to our enquiries, the Co-op explained that:

- Due to the passage of time, it has limited information about what happened to the matured funds.
- All open savings accounts held on Britannia's system have moved to the Co-op system and it no longer has access to the Britannia system which is why its advisor was unable to locate Mr S on its system when he first contacted it.
- It has searched its records for any accounts in Mr S' name – using his address and other personal information but it has not found any record of an account in his name now.
- It has been able to find the maturity option form Mr S completed in 2016. And this shows Mr S asked for the funds to be withdrawn in full and the balance paid to him by cheque.
- It considers it to be most likely that Mr S paid the cheque into an account he held/opened with a different account provider in 2016.
- It acknowledged that Mr S did contact it several times in July 2024, and he didn't receive the level of service he should have. It offered to pay Mr S £75.00 compensation by way of an apology.

This offer was put to Mr S by one of our investigators, but it was declined. So, the investigator looked into what had happened. She explained that businesses aren't required to keep records for more than six years, so she had to reach an outcome on the limited

information that was available now. And overall, she thought the evidence she'd seen suggested Mr S received the balance in the bond by cheque in 2016. And she didn't uphold this part of the complaint.

However, she found that the Co-op had provided Mr S with poor service when he had contacted it about this matter, and she recommended the Co-op should pay him £150 in recognition of the distress and inconvenience caused to him.

The Co-op agreed to the investigator's recommendation. But Mr S said he was convinced he had never received the money. So, the complaint was passed to me to decide.

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 done so, while I acknowledge Mr S will be disappointed, I've decided this isn't a complaint I can uphold. I'll explain why.

The event Mr S complains about happened nearly 9 years ago and, as the investigator explained, businesses aren't required to keep records of accounts indefinitely, usually no longer than 6 years. So, I don't find it unusual that the Co-op is unable to provide full documentary evidence of the cheque it issued or where it was subsequently credited to.

Where facts are in dispute, incomplete or inconclusive and I can't know exactly what's happened, I've decided what's more likely to have happened, at the time, on a balance of probabilities.

Finding documentation relating to a savings bond opened many years ago – as Mr S has here, doesn't automatically mean the savings bond is still open or that the money is still with the Co-op. The documentation Mr S holds only confirms that in 2016 he had a savings bond with Britannia which was due to mature in 2016.

I've looked at the maturity options form from 2016 which Mr S acknowledges that he completed and returned at that time. I find this clearly shows Mr S asked to withdraw the balance in the bond in full and that he requested a cheque to be sent to him. So, I'm not persuaded that Mr S was intending to reinvest the funds with Britannia/the Co-op. Given this, if Mr S didn't receive a cheque, I would have expected him to follow up the matter with the Co-op in 2016. But I've not seen any evidence that he did.

I appreciate Mr S has gone to some lengths now to show that a cheque for the matured funds wasn't credited to his current account and that he has told us this was the only current account he has held. But I've noted that Mr S has mentioned another savings account he held with a different provider which matured around the same time. So, while Mr S may have only had one current account provider, he was investing funds across different savings account providers. So, I can't rule out the possibility that Mr S received the cheque and invested the funds elsewhere and has since forgotten about it.

I have considered the possibility that the cheque wasn't issued to Mr S. But like the investigator has explained, if the maturity instructions had not been received, the bond terms and conditions say that after one month the balance would be transferred into a Maturity Saver account. So, in these circumstances, I would expect the searches the Co-op has undertaken to have revealed an open or dormant account in Mr S' name. The Co-op has provided evidence of the searches it completed when trying to trace Mr S' account. The systems searches include details of Mr S' personal information such as his name and address - which he's told us is the only address he has lived at. And I can confirm the

information I've seen doesn't reveal any evidence of an open or dormant account in Mr S' name at his address.

I've also considered the possibility that the cheque may have been issued and not cashed by Mr S. In this respect the Co-op has explained when a cheque payment is requested the matured funds are paid to an internal suspense account and the cheque is then issued from that account. I find this to be a normal banking process in such circumstances. So, if the cheque was not cashed by Mr S – either because he didn't receive it or he forgot about it, the Co-op would not have been able to reconcile its internal account and would have been required to follow this up. Due to the passage of time, the Co-op is unable to provide evidence of such an account being reconciled. But given Britannia's systems merged into the Co-op system sometime between Mr S' bond maturing and this complaint, I think it's most likely the internal suspense account would have been reconciled before the merger of the systems.

Overall, on balance, I think it's more likely than not, the money in the bond was withdrawn – by cheque, as Mr S requested in his maturity option form. And that he has most likely deposited into a different account held/opened elsewhere in 2016. So, I won't be telling the Co-op to pay Mr S the balance in the bond plus interest.

The Co-op has acknowledged that it didn't deal with Mr S' complaint as it should have and the level of service he received when he raised this matter with it fell short of what he had a right to expect. Our investigator recommended that the Co-op should pay Mr S £150 compensation in recognition of the distress and inconvenience caused. And I agree this fairly represents the inconvenience caused because of the poor service received.

My final decision

For the reasons given above, I uphold this complaint in part. The Co-operative Bank Plc should pay Mr S £150 in recognition of the inconvenience caused to him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 31 March 2025.

Sandra Greene
Ombudsman