

The complaint

Mr R complains that The Co-operative Bank Plc ('Co-op Bank') has failed to trace money in a passbook account. He's also unhappy about the way it dealt with his initial enquiry and instructions regarding the account. He wants Co-op Bank to pay him the balance shown in the passbook and close the account.

What happened

Mr R found an uncanceled passbook for a savings account with a financial business I'll call B. The last entry in the passbook showed an account balance of just over £2,000 in April 2010.

Mr R raised this with Co-op Bank, as it took over B's accounts following a merger between the businesses. Co-op Bank said it had no record of the account. Unhappy with this response and Co-op Bank's delay responding to him within promised timescales, Mr R brought his complaint to our service.

Our investigator did not uphold the complaint because he thought Co-op Bank had done all it could to locate the account. Mr R didn't agree with our investigator so the case has been 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.

I appreciate this is a frustrating situation for Mr R, but having thought carefully about everything, I agree with the outcome our investigator reached and for similar reasons.

It's my job to consider if Co-op Bank treated Mr R fairly and reasonably overall. So I need to think about whether it has done enough to help Mr R to trace this account and put things right if there have been any poor service issues. I must take into account the evidence presented by Mr R and Co-op Bank, and reach an independent, fair and reasonable decision. My findings are made on a balance of probabilities, in other words, what is more likely than not, based on the evidence provided by the parties.

It's my understanding that Mr R mainly relies on the passbook as evidence that there's still money in the account – coupled with the fact that he has no recollection of withdrawing it. I have no reason at all to doubt that Mr R is certain about what he's told us. But recall can sometimes be unreliable, especially bearing in mind there's been no activity recorded in the passbook for around 15 years.

And the uncanceled passbook is not enough evidence that the account wasn't closed by Mr R or that there is an outstanding balance in the account. I say this because I am aware that some passbook accounts can be operated without the passbook as long as the account holder can show necessary proof of identity. I would also add that passbooks can be lost, and replacements issued along the way, so a rediscovered passbook can't necessarily be

relied on to show if the balance has been withdrawn or the account closed. The passbook Mr R found is an old B passbook, dating back to before B's merger with Co-op Bank and the final entry shown is shortly after the time the merger took place – with no further activity recorded after that. So it's reasonable to allow for the possibility that the account changed in some way as a result of the merger and/or that a new passbook could have been issued.

In this situation I'd expect Co-op Bank to take reasonable steps to try and find out what it can about the account. Co-op Bank told us that in May 2024, B's heritage products and systems were discontinued and any remaining active accounts were migrated to Co-op Bank. It checked Co-op Bank's current records and B's archive system but found no trace of Mr R's passbook account – or any B savings account in his name. Co-op Bank said it had double checked with its savings specialists team who cross referenced Mr R's personal details and account number with the remaining archived product information. Co-op bank said it had no record of the passbook account becoming dormant or that it was held as an unclaimed asset and that it found no notes relating to the product either. Added to this, Co-op bank says there is no current product that matches Mr R's passbook account. Co-op bank concludes that the account was closed over 7 years ago without the passbook being presented for updating, but it can provide no more information as it doesn't store personal data dating back beyond this.

Financial businesses are not required to keep records indefinitely. As the passbook Mr R found indicates the last activity on the account was in April 2010, I don't think it's unreasonable that Co-op Bank has no record of an account after so many years have passed. The lack of information held on the systems Co-op bank can check tends to suggest that it's likely there was no active B account in May 2024 - which would explain why there's nothing shown on Co-op Bank's current system.

Ultimately, I'm satisfied Co-op Bank has done all I would reasonably expect to try and locate Mr R's account. On balance, I think it's more likely than not that the balance was withdrawn, and the account closed at some point after the last entry in the passbook Mr R found. So I'm not upholding this part of Mr R's complaint and this means I can't require Co-op bank to close an account it has no record of or pay him the balance shown in the passbook.

But Co-op Bank has acknowledged that, in some respects, the service it provided Mr R fell below the standard he was entitled to expect. Co-op Bank twice failed to send him responses he was told to expect within 5 days. So I've considered what is fair redress for this poor service.

The £75 figure offered by Co-op Bank matches the level of award I would make in these circumstances had it not already been proposed. I think it's likely that Co-op Bank's poor handling of Mr R's enquiry added to his concern about what happened to his money. I consider £75 is in line with the amount this service would award in similar cases, and fair compensation for Mr R in these particular circumstances.

I have set out below the steps Co-op Bank is required to take.

Putting things right

Co-op Bank should pay Mr R £75 compensation, as it has offered to do, to reflect the extent and impact on him of its poor service.

My final decision

I uphold this complaint in part and The Co-operative Bank Plc should take the steps set out above to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 22 May 2025.

Susan Webb
Ombudsman