

The complaint

Mr M complains that Barclays Bank UK PLC has failed to trace the money in a fixed rate bond which he held with it. He is represented by his son, Mr M1.

What happened

In August 2000, Mr M took out a fixed rate bond with Barclays. The bond matured in August 2001. Mr M says he asked for it to be reinvested. He also had a current account dating back to that time. As he was living abroad, he says he couldn't have taken the money out. He returned to this country in 2024 and applied to Barclays to receive the funds on his accounts.

Barclays traced a current account which had been made dormant. It paid out the money in that account to Mr M. However it couldn't find that there was any money still due to Mr M in respect of the bond. It said its record showed that the bond was closed in August 2021, with no further funds outstanding.

Mr M produced a letter he received from Barclays dated 15 August 2021 confirming that the funds would be reinvested in a new one year bond. He also showed us a letter he had written to Barclays in June 2002 asking for the bond to be extended further, and a response from Barclays in October 2002 acknowledging his change of address. Barclays also asked for the sort code specifically related to that bond. Mr M1 provided further possible sort codes, but Barclays said it was still unable to trace the bond.

On referral to the Financial Ombudsman Service, our Investigator said that she didn't find that Barclays had made an error, so wouldn't be asking it to do any more to settle the complaint.

The matter has been passed to me for an Ombudsman's consideration.

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.

Where the evidence is incomplete or contradictory, as some of it is here, I have to make my decision based on what I think is most likely to have happened. But it may be that I can't make a finding and if this is the case I shall say so. I have a duty to be impartial so I have to assess both parties' evidence fairly.

Mr M clearly had funds in a fixed rate bond with Barclays. It said that, although it traced the bond, the account was closed in August 2001. Barclays isn't required to keep records going back more than six years. But we would expect it to carry out all the necessary searches. And, from the information supplied, Barclays hasn't been able to trace any funds from the original fixed rate bond.

The procedure is that when an account is not used for a period of time, usually more than

three years, the bank is entitled to make the account dormant. A notice will be sent to the customer and the funds will be transferred to a separate register of dormant accounts where the record is kept indefinitely. And on application the customer will be able to withdraw those funds. Indeed I know this is what was done in respect of Mr M's current account.

In the case of the fixed rate bond, Barclays has no record of any outstanding funds being made dormant. Mr M has shown us a letter from August 2001, which appears to show that the money in the bond was reinvested in a new bond. And his letter of June 2002 requested Barclays to extend the bond for another year. However, I've only seen a copy of the original bond from August 2000 (and not any subsequently issued bond). And I would observe that the August 2001 letter says that although the reinvestment procedures had commenced, it was still open to Mr M to withdraw the money before the new bond started

Mr M's letter of June 2002 requested Barclays to extend the bond for another year. I haven't seen evidence that this happened. Barclays' letter of October 2002 refers in its heading to the bond number and requested Mr M to produce ID documents to register his new address with it. But without any other evidence of a new bond at that time, I can't find that one existed then.

I appreciate that Mr M is insistent that he never withdrew the money from his bond. But unfortunately even if I were to accept that the money was reinvested in August 2001, or in 2002, I haven't seen evidence that the bond was still in existence after then. Mr M was in touch with Barclays from where he was living and in my view it's likely that if he'd wanted to renew the bond he would have continued to write to Barclays to do this each year. I'm not persuaded that he couldn't have received those monies into an account where he was living at the time.

Barclays asked for the sort code related to the bond. Mr M provided us with some further sort codes, which we passed on to Barclays. Unfortunately it's still been unable to trace the bond. I understand Mr M's point that the original bond certificate does not contain a sort code but the problem in his case is that Mr M didn't chase up the matter for over 20 years. Had the bond still been in existence, it's likely that he would have received regular statements which would have had a sort code. He hasn't been able to produce any letters or documents related to the bond dated after 2002.

With regard to further bank statements, Barclays has already advised that it can trace no outstanding funds linked to that bond. If the bond had been traced or any funds applied to Mr M's account in the past six years those records would still be available.

So overall, as I'm satisfied that Barclays has carried out necessary searches, I can't find that it has still retained any monies belonging to Mr M in respect of his fixed rate bond.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 11 July 2025.

Ray Lawley
Ombudsman