

Ombudsman determination

CIFO Reference Number: 16-000133

Complainant: [The complainant]

Respondent: [Bank X]

It is the policy of the Channel Islands Financial Ombudsman (CIFO) not to name or identify complainants in any published documents. Any copy of this determination made available in any way to any person other than the complainant or the respondent must not include the identity of the complainant or any information that might reveal their identity.

[The complainant] made a complaint about how [Bank X] had failed to locate two accounts for which she held passbooks.

Background

In May 2015 [the complainant] discovered two passbooks relating to accounts held with the [Bank Y]. [The complainant] approached [Bank X] and asked for the funds from these accounts.

The investigation by [Bank X] confirmed that [redacted for anonymisation purposes], the [Bank Y] merged with the [Bank Z] to become the [Bank A] of the Channel Islands. [Redacted for anonymisation purposes] [Bank X] and [Bank A] merged to become [Bank AX], an arrangement which lasted until 2013.

The investigation by [Bank X] also established that there was a third account, a joint savings account held by [the complainant and the complainant's husband]. This became dormant in 2001 and was closed in March 2011. The balance was placed into a safe-keeping account. The amount put in the safe-keeping account was £995.14 and this was paid to [the complainant] in June 2015.

No other accounts relating to the passbooks were found. Therefore, the amount paid to [the complainant] in June 2015 does not correspond with what she believes the funds held by [Bank X] should be; with interest accrued over the years in the two accounts relating to the passbooks, she was of the view that there should be over £3,000.

As a fair and reasonable resolution to the complaint, [the complainant] sought the money held in the two passbook-related accounts plus interest.

Findings

I have considered all the available evidence to decide what is fair and reasonable in the circumstances of this complaint.

On the balance of probabilities, I am of the view that the passbook-related accounts have long since closed and the money has been withdrawn in circumstances which are unknown. I acknowledge [the complainant's] comments that her late husband was very careful with his personal documents and kept records. However, there are no records of any activity on these accounts since the early 1970s. Therefore, it is not possible to deduce that the accounts have not been touched and that any funds - other than those paid to [the complainant] already - are still there.

[Bank X] have confirmed that they have conducted searches and I am satisfied with the efforts they have made to find the accounts. I note that their search turned up an account that [the complainant] was unaware of and which was not accounted for in her husband's records. These funds were returned to [the complainant]. The collection of notes provided by [the complainant] relating to the bank accounts provide helpful insight into the accounts' histories but they do not prove the current existence of the accounts or the disposition of the funds.

I understand [the complainant] is dissatisfied that [Bank X] does not have to hold records beyond a certain date and that she feels she should not lose out as a result, but the requirement for banks to hold records for at least five years following a transaction is set out in law in [the relevant legislation] and I do not think it would be reasonable to expect records to have been retained for such an extended period.

Final decision

My final decision is that I do not uphold this complaint.

[The complainant] must confirm whether she accepts this determination either by email to ombudsman@ci-fo.org, or letter to Channel Islands Financial Ombudsman, PO Box 114, Jersey, Channel Islands JE4 9QG, by **12 September 2016**. The determination will become binding on [the complainant] and [Bank X] if it is accepted by this date. If we do not receive an email or letter by the deadline, the determination is not binding. At this point [the complainant] would be free to pursue her legal rights through other means.

If there are any particular circumstances which prevent [the complainant] confirming her acceptance before the deadline of 12 September 2016, she should contact me with details. I may be able to take these into account, after inviting views from [Bank X], and in these circumstances the determination may become binding after the deadline. I will advise both parties of the status of the determination once the deadline has passed.

Please note there is no appeal against a binding determination, and neither party may begin or continue legal proceedings in respect of the subject matter of a binding determination.

Douglas Melville
Principal Ombudsman and Chief Executive

Date: _____