

The complaint

Solicitors acting on behalf of the estate of the late Mrs S complain Barclays Bank UK PLC mis-handled instructions regarding Mrs S's current account following her death.

What happened

Following Mrs S's death in late 2019, solicitors acting on behalf of her estate wrote to Barclays to request that the account be frozen. The estate said it told Barclays this in April 2020, although Barclays said it wasn't made aware of her death until July 2020.

Setting aside the issue of when Barclays was made aware of Mrs S's death, the estate noticed from bank statements that payments had been received into the account and that direct debits had been paid from the account beyond April and July 2020 and as late as April 2021. April 2021 is when Barclays received a copy of grant of probate and was able to close the account. The estate wanted compensation for the payments that continued to be made and for the additional costs it says it incurred in having to raise a complaint about the account not being frozen.

We contacted Barclays once the estate complained to us, at which point Barclays accepted it had incorrectly confirmed to the estate on two occasions that no payments had debited the account after July 2020 when in fact they had. Barclays apologised for not properly investigating the complaint and offered to reimburse the estate for the total amount debited from the account in error between July 2020 and April 2021 (£120). Barclays also said it couldn't have stopped the payments made into the account from being received and suggested the estate take the matter up with the payer given the estate now held the amounts paid as part of the final settlement of the account.

Finally, Barclays agreed in principle to consider covering the estate's additional solicitors' costs in complaining, subject to receipt of a full breakdown of those costs together with an explanation as to why they were incurred.

Our investigator looked into the complaint and found that Barclays's offer was fair in the circumstances. They felt its offer to reimburse the direct debits paid out of the account from July 2020 to April 2021 was reasonable given they believed the account should have been frozen during that period. And that it was reasonable for the estate to contact the payer of the payments into the account given the estate had benefitted from those payments. Regarding additional costs, the investigator thought Barclays's offer to consider payment of them to be more than fair and asked that the estate liaise with Barclays direct on the matter.

The estate didn't agree with the investigator's findings. Among other things, it said the investigator hadn't addressed Barclays's failure to deal with the initial complaint or recognise that the estate was forced into incurring additional costs as a result. The estate said it was unreasonable to expect solicitors acting on its behalf to have the necessary details to contact third parties seeking to make payments into the account when it ought to have been able to rely on Barclays freezing the account as expected.

As the investigator couldn't resolve the complaint informally, it was passed to me to review

afresh and reach a decision.

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, I've decided to uphold the complaint in part. I'll explain why.

It's not in dispute that Barclays didn't freeze Mrs S's account as it should have or that her estate suffered financial loss as a result.

To be able to quantify the estate's losses, the first issue I've considered is when Barclays reasonably ought to have frozen the account. The estate says it contacted Barclays about Mrs S's death – and provided a copy death certificate – in April 2020 and that's when it should have frozen the account. Barclays, on the other hand, says it wasn't notified until July 2021 and that it couldn't have frozen the account until then at the earliest.

The estate's provided a copy of a letter it says was sent to Barclays on 14 April 2020. The letter says a certified copy of Mrs S's death certificate was enclosed. I've reviewed Barclays's internal records and can see no reference to its receipt of that letter around the time in question. Unfortunately, the letter wasn't sent by recorded delivery so there's no third-party evidence to show it was received either. As such, I can't see any evidence showing Barclays did receive it.

I'm also conscious of the fact that the certificate apparently wasn't certified as a true copy of the original by the estate's solicitors until *after* the date of the letter. If the date recorded on the certificate by the solicitors is correct, I can't see how it could have been enclosed with the letter that was apparently sent around a week before.

It could be that one of those dates is incorrect, or even that they both are. Either way, I think this casts some doubt on when, or even whether, the letter was sent and on whether the certificate was enclosed with it.

As far as I'm aware, the estate didn't contact Barclays again for its response until July 2020, which is when it sent an email apparently attaching a copy of the letter of April 2020 and of the death certificate. This is the point at which Barclays accepts it first became aware of Mrs S's death.

Taking everything into account, I don't think it was unfair for Barclays to rely on the estate's chaser email of July 2020 as notification of death. I haven't seen enough evidence to find that it became, or ought to have become, aware before that time.

That said, Barclays didn't act to stop direct debits being collected from the account until April 2021, when it closed the account, despite as I say having become aware of Mrs S's death in July 2020. It's not clear exactly what stopped that from happening, but I can't see that this had anything to do with the estate or the information it had provided. As such, I think Barclays's offer to reimburse the estate for the direct debits collected in that period was fair as they wouldn't have been collected had the account been frozen as it should have been.

Between July 2020 and April 2021 money was also paid into the account. The estate believes that shouldn't have been allowed to happen either, on the ground that the account should have been frozen. Whether or not these incoming payments should have been blocked by Barclays, it remains that they were made. It seems that these sums were then

included as part of the final settlement payment that was made to the estate once the account was closed in April 2021.

That being the case, I don't believe the estate's shown that it's lost out due to those payments being made into the account. It follows that I don't believe any compensation's due for the fact that those payments were made, irrespective of whether Barclays was at fault for them being made in the first place.

Finally, I understand the estate's comments about Barclays's handling of the complaint. I agree it could have handled the matter better than it did and that the estate was likely inconvenienced to some extent as a result. But I also note that Barclays eventually recognised its shortcomings, apologised for its errors, and offered to put things right. I think this was sufficient and that no further compensation's due in the circumstances.

Barclays has gone further and offered to consider covering additional solicitors' costs incurred by the estate in relation to this matter. That's subject to its receipt of further information about those costs, why they were incurred, and a detailed breakdown of them.

In terms of my view on this point, I've stopped short of making an award against Barclays for those costs. That's because I believe there was no requirement for the estate to instruct solicitors in making the complaint to Barclays, or ultimately to us. The estate could have complained without representation and for free. I understand why the estate might have chosen to use the services of the solicitors given they were already acting on behalf of the estate in dealing with the account. But that doesn't mean such representation was necessary or that I think Barclays should reimburse any related costs.

This is not to say that Barclays can't still consider paying the costs voluntarily as it's offered to, although the estate should take this up with Barclays separately.

Putting things right

Barclays should reimburse the amounts paid from the account in direct debits between July 2020 and April 2021, when the account was closed.

Barclays has voluntarily offered to consider payment of the estate's additional costs in making the complaint – subject to it receiving more information about them. I think that offer's more than fair in the circumstances and ask that the estate contact Barclays about that direct.

My final decision

For the reasons given, I've decided to uphold this complaint in part. I require Barclays Bank UK PLC to put things right as explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs S to accept or reject my decision before 25 May 2022.

Nimish Patel
Ombudsman