

The complaint

Mr P, as an executor of the estate of the late Mrs P, says the conduct of Barclays Bank UK PLC delayed the release of funds to the estate.

What happened

Mr P notified Barclays of Mrs P's death on 7 September 2021. On 11 November 2021, 14 January 2022 and 15 February 2022 Barclays sent near identical covering letters to Mr P asking him to complete the enclosed closure form. The final section of this form asked for an indemnity to protect the bank should any other persons be entitled to a share of the funds. Mr P did not want to do this, so he had instead provided the Grant of Probate on 9 January 2022. This meant the need to give an indemnity had fallen away.

But Barclays continued to send forms that included this section, and did not say it could be ignored. What Barclays was actually waiting for was authorisation and proof of identity from the second executor. But for weeks after receipt of the Grant of Probate it did not tell Mr P this. Once it did Mr P provided the information and the funds were paid out on 21 February 2022.

Barclays accepts that its communication was poor but says it did not wrongly withhold funds as it needed the information from the second executor listed on the Grant of Probate. It offered Mr P £120 compensation for the trouble caused. But Mr P wants compensatory interest for the period the estate was without the funds as a result of Barclays' conduct.

Our investigator did not uphold the complaint. He found Barclays' response to it to be fair and reasonable.

Mr P disagreed and asked for an ombudsman's review. He said this view is inconsistent with a decision made on a very similar case against Barclays. He disagrees Barclays had a duty to hold the funds – no other bank asked for consent and documentation from all parties on the Grant of Probate – yet it delayed the release of over £32,000 for six weeks. Its requirements are out of step with the industry.

I reached a different conclusion to the investigator, so I issued a provisional decision. An extract follows and forms part of this final decision. I asked both parties to send any comments by 17 November 2022.

Extract from my provisional decision

First I want to clarify that I am only looking at the individual circumstance of this case, others may seem similar, but each case is decided on its own merits. Also Mr P raised a number of challenges to the bank's process, but we cannot review the process. That is the role of the regulator. We look at whether in the circumstances of an individual case the bank has made errors, and if so how it should put things right.

In this case there were bank failings as set out above in 'What happened'. Barclays has acknowledged this, but then argues that the delay in releasing the funds was not caused by

its service errors, rather by its duty to wait for details from the second executor.

I am not challenging this process, but I disagree that its poor communication had no direct impact on the delay. Had Barclays made an effective call, or sent a clear letter, on receipt of the Grant of Probate, explaining what needed to happen next the funds would have been released much sooner. I say this because as soon as Mr P knew what he needed to submit he did so. Instead it sent generic letters that still included redundant sections about an indemnity, with no precise indication of what it was waiting for. It might argue that the form states that in instances where a Grant of Probate is required all executors are required to sign, but it wasn't required in this case – that was an option Mr P took to avoid giving the indemnity. I do not find the way it informed Mr P to have been clear, fair and not misleading.

It follows I find Barclays was responsible for the cause of the delay and so it should pay compensatory interest.

We don't award compensation for inconvenience to executors of an estate. This is because the complaint is brought on behalf of the estate itself, not on behalf of the executor as an individual. So even though I acknowledge that Mr P has been caused some considerable trouble and upset by Barclays I can't comment on its offer.

Barclays accepted the findings in my provisional decision and asked for bank details for the settlement. Mr P also accepted the provisional decision but did not want to provide us with the bank details. He asked Barclays contact him directly.

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.

As both parties agree with the conclusion I reached and sent in no new information, I have no reason to change the findings or outcome I set out in my provision decision.

It follows for the reasons set out above I am upholding Mr P's complaint.

Putting things right

Barclays should pay the estate of the late Mrs P 8% simple interest per year on the balance in Mrs P's account between 14 January 2022 (5 days after Mr P has evidenced he sent in the Grant of Probate to allow for time to then supply documents and the consent of the second executor) and the date of settlement.

If Barclays considers it is legally obliged to deduct basic rate tax from the interest element of the award it must provide Mr P with a tax deduction certificate so that he can claim a refund if appropriate.

Barclays should also pay Mr P £120 as it offered to.

It should contact Mr P to obtain bank details for these payments.

My final decision

I am upholding Mr P's complaint. Barclays Bank UK PLC must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P, on behalf of

the estate of Mrs P, to accept or reject my decision before 19 December 2022.

Rebecca Connelley
Ombudsman