

The complaint

The personal representative (“PR”) of the estate of Mrs W complains that Nationwide Building Society (“Nationwide”) made a number of errors when dealing with the accounts of the late Mrs W. The PR believes there is potentially outstanding money owed to the estate and are unhappy with the service received from Nationwide.

What happened

Mrs W died on 8 August 2021. Mrs W held a number of accounts with Nationwide. The PR registered Mrs W’s death with Nationwide soon after Mrs W died but for reasons that are unclear Nationwide failed to process this. The PR discovered this in April 2022 when they attempted to close and distribute Mrs W’s accounts.

As a result of the failure to register and process Mrs W’s death the accounts weren’t frozen and a number of payments and direct debits left Mrs W’s accounts after her death. It also meant the closure and distribution of the accounts were delayed by 5 working days

The PR complained to Nationwide that it failed to register Mrs W’s death which caused delays to the administration of the estate and also experienced delays in receiving documentation – in particular bank statements for accounts ending 9106 and 5123.

Nationwide accepted that it had failed to register the death of Mrs W and that the PR had experienced delays in closing the accounts and receiving the documentation requested by them. Nationwide have confirmed that it had credited back all payments that had left the account that shouldn’t have and offered the PR £200 compensation.

The PR didn’t wish to accept this offer as they didn’t feel all their concerns had been addressed. Nationwide responded to all the PR’s further concerns and reiterated that it felt all refunds had been completed and explained that some of the delays in the documentation being received may have been due to the postal service at the time. Nationwide agreed to increase the offer of compensation to £350.

The PR was still unsatisfied of with this and brought the complaint to this service. In particular they felt that Nationwide hadn’t sent them all the required bank statements needed to administer the estate and that they thought Nationwide had failed to account for a payment of £200 that had been transferred out of one of Mrs W’s accounts and thought there to be a shortfall of this amount. The PR is also unhappy with the level of compensation suffered considering the distress and inconvenience Nationwide’s failings have caused them.

One of our adjudicators looked into the PR's concerns and reached the conclusion that Nationwide had addressed all the concerns raised and was satisfied that there were no more outstanding amounts due to the estate. And although they acknowledged the distress and inconvenience the PR had suffered personally, as the complaint is raised on behalf of the estate they didn't think we were able to consider compensation for the PR personally.

The PR disagreed and has asked for an ombudsman's 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.

I hope that the PR won't take it as a discourtesy that I've condensed the complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the outstanding matters in their complaint. Our rules allow me to do that.

It might help if I explain that my role is to look at the problems the consumer (in this case the estate of the late Mrs W) has experienced and see if Nationwide has done anything wrong or made a mistake. If it has, I would seek – if possible - to put the consumer back in the position they would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable if I consider it warranted.

Nationwide accept that it made an error in not processing the registration of Mrs W's death. This meant Mrs W's accounts weren't frozen as they should've been and this resulted in standing orders, direct debits and other payments continuing to leave her account after she died. It also accepts that there had been some delays in providing documentation and that its service could've been better.

To put things right Nationwide have confirmed that all payments that shouldn't have left the accounts have been either returned or it has redressed the amount it wasn't able to return. Nationwide also compensated the PR personally £350 for the distress and inconvenience suffered.

The PR believes there to be a shortfall of £200 relating to a regular transfer of the same amount that was made between two of Mrs W's accounts. And this is the aspect of the PR's complaint which still needs addressing. The PR says Nationwide still hasn't provided them with the bank statements for account ending 5128 from the date of Mrs W's death, until the account was closed, so they are unable to satisfy themselves that there hasn't been a shortfall.

I've seen a copy of the statements of accounts ending 9106 and 5128 and have arranged for the PR to be sent these separately as it is not clear to me whether the PR has received a copy of these now or whether they are still outstanding. And although it is not our role to reconcile the accounts – indeed that is the job of the PR – I can say that from what I've seen I'm satisfied there is no £200 shortfall.

The confusion appears to me to be that seven payments of £200 (£1,400) were transferred between two of Mrs W's accounts following her death (from account ending 5128 to 9106). For reasons that are unclear, to put things right £1,600 was transferred back – to account ending 5128 - £200 more than was paid in. But all this means is that on closure one account had £200 less than it did at the date of Mrs W's death and one account had £200 more and overall, there is no shortfall.

So, I'm satisfied Nationwide has done all it can do to put things right and that there is nothing further for it to do.

I understand the PR feels that further compensation is warranted given the distress and inconvenience they've suffered due to the delays in the administration caused by Nationwide's error. But as has already been explained by our adjudicator the PR is not the complainant here, they are merely acting on behalf of the estate and so it is not in my powers to make an award for any distress and inconvenience they feel they've suffered personally – though I do appreciate the difficult role they've taken on and the responsibilities that come with that.

In any case, things don't always go smoothly. And not every mistake warrants compensation. My understanding is that the closure of the accounts were delayed by approximately 5 working days and the estate hasn't suffered any financial loss due to this delay. So this being the case I don't consider a financial award justified and I think what Nationwide has already done to settle this complaint fair and reasonable in all the circumstances.

My final decision

For the reasons I've explained I've decided what Nationwide Building Society has already done is a fair way to settle the estate of Mrs W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs W to accept or reject my decision before 23 October 2023.

Caroline Davies
Ombudsman