

## The complaint

Mr B complains that Standard Life Savings Limited (*'Standard Life'*) has behaved unfairly in relation to the administration of the investment account held by his late mother, Mrs B.

## What happened

Though the timeline is well-known, to assist both parties I will recap it summarily below.

Mrs B sadly passed away in 2020. Mr B now acts as a sole executor for her estate.

Mrs B's Standard Life account comprised a stocks and shares (investment) ISA, a Wrap Personal Portfolio and a Wrap cash account. She had originally taken out her investments in 1997, following advice from a third party business. In May 2020, Mrs B's investments were valued at a total of £75,294.36.

On 26 June 2020, Mr B notified Standard Life of Mrs B's death using its online bereavement notification service. At that time, he was one of two executors for Mrs B's estate.

Mr B then furthered this notice by calling and writing to Standard Life on 15 July 2020, as he hadn't received any further update from it. In his letter, Mr B said he had been told of a 17-working day turnaround for notifications when a policyholder has passed away – which he was unhappy with. To aid Standard Life's processes, he supplied a copy of Mrs B's death certificate. He also asked for a valuation of the total investments for taxation purposes.

Standard Life replied in writing to Mr B on 17 July 2020. It confirmed the three investment products held by Mrs B at the time she passed away, and their respective values. It also confirmed how charges on the investments stopped as at the date Mrs B passed away, but the investments would remain invested until such time as it received completed paperwork, including a Grant of Probate (*'GoP'*), an Instruction Form and a Stock Transfer or a Bank Verification form – should Mr B require the units to be transferred either in specie or to cash.

On 24 October 2020, Mr B contacted Standard Life to confirm that the additional executor for Mrs B's estate had undergone renunciation and thereafter, Mr B would be the sole executor.

Mr B also queried dividend payments to the estate, as these appeared to be missing and he required accurate calculations for HMRC and completion of inheritance tax (*'IHT'*) forms. Accordingly, he explained to Standard Life that the GoP and other documents would not be available for some time, as this would be delayed subject to preparing IHT paperwork.

On 20 November 2020, Standard Life informed Mr B that if the second executor was named on the GoP, then it would require signed correspondence to confirm the renunciation. Otherwise, Mr B could sign the form. In respect of Mr B's additional query, Standard Life supplied him with a valuation of the investments as at Mrs B's date of death, including transactions and taxation information, though it noted it wasn't entirely sure what Mr B required for HMRC purposes.

Mr B replied to Standard Life the same day, noting that the information it had sent was not

sufficient – and it didn't answer his query in relation to interest or dividend payments due to Mrs B's estate. Mr B explained that he needed to know of any dividends or interest due that hadn't been paid to the estate in order to establish the total value for IHT purposes. Mr B also explained he'd return the GoP with him listed as the sole executor.

Standard Life responded on 30 November 2020. It provided a list of dividends posted after Mrs B's date of death, that were due before the date of death. It said it would use the figures it had provided Mr B for IHT purposes, though it was awaiting confirmation of this from its legal team.

On 9 December 2020, Standard Life wrote to Mr B with further guidance regarding completing relevant IHT documentation, though it noted it couldn't offer legal advice. It also told Mr B that it felt it had now provided him with appropriate information.

On 18 January 2021, Mr B supplied the GoP to Standard Life. He explained that the list of dividends Standard Life had previously supplied failed to properly itemise the investments – instead it used short form names. Mr B also asked if it was possible to transfer the investments in specie to his own Standard Life self-invested personal pension ('SIPP').

On 5 February 2021, Standard Life explained Mr B could not transfer directly to his SIPP. Instead, he would need to hold a Wrap account with Standard Life in order to facilitate a transfer of all or some of the late Mrs B's investment holdings – he could arrange this directly or through an independent financial adviser ('IFA'). In respect of the itemisation of the late Mrs B's investment holdings, Standard Life provided a full list of each investment, along with a factsheet for the same.

On 8 February 2021, Standard Life wrote to Mr B to explain how he could utilise a split settlement in order to distribute the investment funds if required – whether as cash or where possible, in specie.

Mr B then sent a further email to Standard Life on 13 February 2021 to which Standard Life replied on 25 March 2021. It asked Mr B if he had received documentation it sent to him on 5 and 8 February 2021. It also said it had erroneously included details of two dividends – and it apologised for having made that error. It enclosed a spreadsheet with the dividend information Mr B had requested.

Standard Life also said it could not facilitate an in specie pension transfer because the funds were held in different share classes for taxation purposes, and these could only be transferred to the same type of share class.

Mr B then contacted Standard Life almost one year later, on 18 February 2022. He explained that his sister had passed away shortly before his last contact of March 2021, and the resolving of her affairs had prevented progression in settling Mrs B's estate. He said he still remained of the view that the in specie transfer should be permitted. He also asked for updated cash reports and statements for the late Mrs B's investments.

On 6 April 2022, Standard Life reiterated to Mr B that the transfer his mother's investment holdings to his SIPP, because the investments were not held within pension funds; they couldn't therefore be transferred in specie because of the difference in asset classes. It supplied further statements for 2019 and 2020 as well as a transaction report and a tax certificate.

Mr B replied on 20 April 2022 to explain that he should have been told sooner about the inability to conduct an in specie transfer. He also said he wasn't happy with the presentation of the statement he'd received. However, when Mr B sent this email, it was returned to him.

Standard Life confirmed receipt of the email three working days later. It then replied to the email on 5 May 2022, having treated Mr B's concerns as a complaint.

Standard Life issued Mr B a final response letter dated 5 May 2022 in which it said it had sent Mr B's email of 20 April 2022 to its technical department. And in respect of the customer service aspect of the complaint, it upheld it. It offered Mr B £100 for the failure to respond to his email of 18 February 2022 until April 2022.

On 27 May 2022, Standard Life received an instruction form from Mr B to sell down the investments in writing. This was completed by Standard Life and settled on 26 June 2022, with Standard Life writing to confirm to Mr B that it had paid a total settlement value of £93,079.78.

The following day, Standard Life responded to the outstanding queries that it had sent to its technical department. It elaborated on in specie transfers and why it hadn't been able to facilitate this for Mr B. It also provided Mr B with a dividend spreadsheet. Overall, Standard Life said it felt it had given all the relevant information that it could to Mr B. It asked him to explain further using specific examples if he still felt it had missed something.

Mr B replied on 27 July 2022, noting that he had supplied a letter on 27 May 2022 alongside his instruction to sell down the investments and the content of that letter remained unaddressed. He said he had asked for specific itemised information relating to every holding Mrs B held at the time of her death, as well as supporting written evidence of the transfer of any of these holdings.

Mr B also noted that he hadn't received a tax certificate for the year ending 5 April 2023, nor any documentation that catalogued the settlement proceeds. Mr B said he wanted Standard Life to confirm what settlement proceeds had been paid and if any were outstanding, as well as provide a statement to show the income payments that had been received for the investments since Mrs B had passed away.

On 15 August 2022, Mr B noted he had received no acknowledgement nor a reply to his letter of 27 July 2022. He detailed a number of issues he had experienced when he called it earlier that day as well as reiterating that the statement of the account settlement was still outstanding.

On 19 August 2022, Standard Life supplied Mr B with the contract notes for the sale of the investment funds. It said it had followed its processes and couldn't send Mr B anything further. It suggested he seek financial or legal advice if he still required assistance.

On 31 August 2022, Mr B replied setting out a list of continued procedural failings he believed applied in the circumstances. He also made a specific request for information held by Standard Life relating to the late Mrs B's investment account – which he says amounted to a subject access request for data protection purposes and cited his information rights.

Mr B thereafter referred his complaint to this service. In so doing, he supplied a detailed complaint form and a separate 13-page statement of events, along with a cross referenced evidentiary bundle. The submissions recapped the full history of Mr B's complaint.

Mr B thereafter sent us a letter proposing legal action. Though I have read this letter, I shall not repeat the contents verbatim here and note that the complaint has continued under our usual processes thereafter.

In January 2023, Standard Life supplied a second final response letter to Mr B regarding the

continuing complaint issues. It said Mr B had contended that it failed to provide information to him in a timely manner, which led to a financial loss on settling the late Mrs B's holdings.

Standard Life went on to provide a timeline of the events to assist Mr B. It also confirmed that it felt a reasonable timeframe – based on its own guidance - to reply to Mr B's correspondence was 10 working days.

It identified six occasions where it had taken longer than 10 working days to reply to Mr B:

- A five working-day delay responding to Mr B's initial notification that Mrs B had sadly passed away.
- A nine working-day delay responding to the email of 24 October 2020.
- A three working-day delay responding to the email of 20 November 2020.
- A three working-day delay responding to the letter dated 20 January 2021.
- A three working-day delay responding to the email of 18 February 2022.
- A three working-day delay responding to the email of 27 June 2022.

It accepted that all these delays contributed to what was a distressing time for Mr B. And it felt the overall compensation should be increased to £300 to account for this upset.

However, Standard Life confirmed that none of these delays had detrimentally affected the progress of settling the account for the late Mrs B. And it noted how the delay of almost one year where it couldn't progress matters as it hadn't received the relevant documentation from Mr B. Further, it said that during the period before the account could be settled, the investment increased by approximately £15,000.

Finally, Standard Life said it noted that Mr B as seeking to claim costs relating to his role as executor, though he hadn't provided a cost breakdown. Nevertheless, Standard Life said it wasn't accountable for any perceived costs and it didn't believe it had added to Mr B's duties beyond what would ordinarily be required to administer the late Mrs B's estate.

Mr B said he rejected the offer. He also said, in summary:

- The letter he had received had been sent from Aberdeen (stylised as 'abrdn') not Standard Life, but he had never been informed by Standard Life of a name change or otherwise.
- Standard Life omitted reference to documents dated 20 November 2020, 30 November 2020, 2 February 2021, 25 March 2021, 5 May 2022, 15 August 2021, and 31 August 2022 in various correspondence.
- It also failed to properly answer all of his queries.
- Standard Life had provided regular investment valuations to Mrs B, but it had not offered him the same.
- Had earlier evidence of the investments been supplied, he might have asked for the holdings to be sold down sooner.
- The exogenous delay on his part of approximately one year wouldn't have prevented him from asking for the holdings to be sold down, if appropriate.
- Standard Life has failed to cite any legal basis for not having sent regular updates, full answers, or itemised transaction information as requested.
- Standard Life might not have been able to offer him financial advice, but it was able – yet failed - to give him information, when asked.
- He is prepared to particularise his financial claim if so required, but he rejects the overall £300 now being offered to him by Standard Life.

One of our investigators reviewed the complaint, but her conclusion overall was that Standard Life didn't need to do anything more to resolve the complaint. She did, however, seek to address Mr B's primary concerns regarding the service he'd received. For ease of use, she broke down Mr B's complaint on behalf of Mrs B's estate into five main areas:

1. Standard Life not having provided regular valuations to Mr B.
2. Standard Life failing to properly inform Mr B as to how in specie transfers operated.
3. The overall delays caused by Standard Life, as Mr B submitted that this impacted his decision to settle the investment account.
4. Standard Life failing to give Mr B information about the investments once sold, along with a 2022/23 tax certificate.
5. Standard Life not informing Mr B of its position in relation to abrdn.

Our investigator accepted Mr B's arguments in relation to the third complaint issue, noting this had been agreed by Standard Life as well. However, for the other grounds of complaint, our investigator believed Standard Life had acted reasonably. In summary, she said:

1. She only noted one request for valuations made by Mr B, when he notified Standard Life that Mrs B had sadly passed away – and it supplied them.
2. Whilst she understood that Standard Life's initial letter could have been clearer, she did not think any financial loss ensued. Further, Standard Life couldn't offer advice, only information. When the later request from Mr B to transfer the holdings to his SIPP was made, Standard Life did explain why this wasn't possible.
3. Standard Life was right to agree it had caused the delays it identified – though this didn't cause Mrs B's estate a financial loss. Nor was it responsible for a delay in the sale – the correct information was given to Mr B in February 2021, though he did not instruct the sale until May 2022.
4. Standard Life did provide Mr B with contract notes for the disposal of the holdings, though these were delayed. In relation to the tax certificate, she said she would chase this with Standard Life, as it was unclear.
5. Though Standard Life hadn't expressly set it out – it was part of the abrdn group of businesses.

Overall, the investigator said £300 of compensation was in line with what she would have recommended for the administrative failings and therefore she did not think anything further needed to be done by Standard Life.

Mr B disagreed. He said he wanted the complaint to be put to an ombudsman for a decision. He then supplied a significant amount of additional written submissions to be included for further consideration, comprising several letters. These were again cross referenced with an evidentiary bundle.

In summary, Mr B said:

- The investigator failed to consider five other areas of concern when addressing her view on the complaint. These were:
  - the distress and embarrassment he suffered due to Standard Life's numerous failings;
  - the extra time he has had to spend on dealing with matters as a consequence of these failings;
  - the extra expense incurred spend on dealing with matters as a consequence of these failings;
  - that the beneficiaries of Mrs B's estate would also have incurred the financial loss caused by delayed settlement of the estate; and

- that the beneficiaries of Mrs B's estate would have likely incurred additional legal fees on the same basis.
- The conclusion that the failure to provide ongoing statements turned on his having to request them was unreasonable; Mrs B would otherwise have received them had she not passed away, as regulatory rules required that.
- Even if this were not so, Standard Life must have some type of duty to him as a representative.
- He explained the circumstances of the delay from 2021 to 2022 when making his complaint at this service, something the investigator didn't look at.
- Standard Life persistently failed to explain the right position about its inability to facilitate an in specie transfer.
- In April 2022, after extensive research, he asked if the reason the transfer into his SIPP wasn't possible was by virtue of some relevant legislation he had found – but it didn't reply.
- The investigator failed to properly examine the issues relating to what Standard Life said it could and couldn't do regarding an in specie transfer.
- Though there were many delays, the principal factor involved in these delays related to the failure to provide him with correct and timely information about in specie transfers – had Standard Life done so, he could have settled Mrs B's investment account sooner, at advantageous prices (though he had not received the valuations he requires to quantify that loss).
- He had received a 2022/23 tax certificate on 10 July 2023, but with no explanation as to why – in Mr B's view – it was sent late. He contends that if no transactions took place after August 2022 due to the settling of the accounts, a tax certificate could have been issued within a month or so of the last transaction.
- He still believes Standard Life should have told him directly that it was now part of the abrdn group.
- Several other issues weren't reviewed fully. Mr B referenced each paragraph in the investigator's decision where he felt his concerns weren't properly addressed.
- On 9 May 2023, two 'wrap payments' of £0.84 and £1.74 were paid to his executor account without explanation – he wants this additional issue to now be considered.

Our investigator did not change her view on the complaint, so it was referred for an ombudsman's decision as required by Mr B. Standard Life had no other comments to make.

### **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 thank the parties for their considerable patience whilst this matter has awaited review by an ombudsman. I also wish to extend my sincere condolences to Mr B for the losses of both Mrs B and his sister. I can see that this process has been frustrating for Mr B. I appreciate he has taken time and detail in setting out his written submissions which demonstrate the impact that the issues with Standard Life have had on him, and I do not underestimate them.

I've included a particularly detailed chronology of the complaint in the 'what happened' section of this decision, far beyond what I would ordinarily include in a summary of events for a final decision. I have done so to assist Mr B and to recognise the depth of his ongoing concerns; though I note the events have been recounted in my own wording (including summaries), rather than a literal recitation of the content of Mr B's written correspondence.

I also recognise that Mr B has also undertaken two additional complaints to the Financial Ombudsman Service regarding customer service. To be clear, my decision will not review

any aspect of the service concerns Mr B has raised. Nor have I included any matters relating to Mr B's customer service journey in the background summary above, since those issues are distinct from the substantive complaint and have both been provided with responses separately by another of our ombudsmen.

It's also important for me to point out that we do not act in the capacity of a regulator. That remit falls to the Financial Conduct Authority ('FCA'), where it may look at wider issues governing how businesses conduct their operations or exercise what may be commercial judgement on the provision of a particular service. This service's role is to investigate disputes and resolve complaints informally, including taking into account relevant laws, regulations, and best practice where applicable.

To resolve this complaint, I am not required to give an answer to every individual submission Mr B has made, nor give my view on each incident within the extensive background. Instead, I will decide what I believe are the key reasons for the outcome I have reached. If I don't answer a particular point, it doesn't mean I haven't assessed it. I do not intend any discourtesy to Mr B in addressing the matter in this way, but it reflects the informal nature of our service as a free alternative to the courts and our rules allow me to take this approach.

I can see that Mr B feels very strongly about the service he has received from Standard Life, which he feels has ultimately caused a financial loss to Mrs B's estate. Whilst Mr B is entitled to form his own view about what has gone on, I must also do the same. From an objective standpoint, I do not consider that Standard Life has caused any financial loss for which I must make any order for compensation in this complaint. And for the reasons I'll explain, though I do agree that – at times - Standard Life's service fell short of what Mr B expected, I cannot make any award about that or direct it to do anything further than it has already.

I understand that – in some instances - there have been administrative failings by Standard Life in its provision of information to Mr B regarding settlement of the estate including contract notes, clarification about in specie transfers, timely responses to various administrative queries, and the ability/inability to transfer the investment account to Mr B's SIPP.

I can also see now that Mr B (rightly) understands now why the in specie transfer couldn't take place to his SIPP as he had hoped. In brief, the only means to make such transfers would be on the basis that the transfer was from and to the same type of investment – and the late Mrs B didn't have any investment holdings set up in pension funds.

Across its two final response letters, Standard Life has proposed to pay Mr B a total £300, though he so far refused its offer. However, I cannot assess whether that offer is fair and reasonable or not, because our rules do not permit me to.

We are bound by the Dispute Resolution ('DISP') rules which apply to this service as set out in the FCA Handbook. An ombudsman is not able to avoid the rules or apply discretion to certain rules. Complaints made to this service must be pursued by an '*eligible complainant*' (for example, a consumer or a micro-enterprise) and those complaints must be about acts or omissions by businesses when carrying out certain 'regulated activities' – in this case, Standard Life processing payment of the funds from the late Mrs B's investment accounts.

DISP rule 2.7.2 R allows a third party to bring a complaint on behalf of an eligible complainant (such as an investor) to this service, for example from a representative or an executor of an estate for an eligible complainant that has since passed away. But that doesn't mean the representative is an eligible complainant in their own right.

In accordance with the corresponding entitlement to apply for the GoP, under our rules Mrs

B's executor is authorised by law to bring the complaint on her behalf. However, the eligible complainant in this complaint was the late Mrs B. Mr B is a representative and not a complainant – he was not party to the investment relationship Mrs B held with Standard Life before she passed away; rather, he is (now) the sole executor for Mrs B's estate.

Though this service can make further awards for the distress a business has caused in relation to a complaint (under DISP 3.7.2 R), and whilst a complaint can be made to this service by a representative on behalf of an eligible complainant - or the estate of a complainant that has passed away - that doesn't confer the right to receive a money award to the representative.

So, it follows that I cannot consider the impact of Standard Life's actions on Mr B as an executor, or the ultimate beneficiaries of Mrs B's estate since none of those parties are eligible complainants in these specific circumstances; firstly because the events complained of all happened after Mrs B died and secondly, because, the vast majority of these issues are matters that do not have any tangible financial loss – and the only possible remedy could be a distress and inconvenience payment.

That means even where I agree a payment for distress is appropriate and I would otherwise be minded to do so, I cannot make an award for upset, distress or anguish caused to Mr B relating the perceived extensive administrative burden caused by Standard Life in these circumstances. I note Mr B offered to particularise the compensation that he believes should be paid to him – but our rules don't allow me to consider making any direct award to him at all. In addition to a distress payment, that includes the costs and time payment he is also seeking.

I don't doubt that Mr B has found the contact with Standard Life wholly frustrating and upsetting. But as I cannot consider the impact of a business' actions or inactions on representatives, this is not something I can pursue further. Neither can I comment on the £300 compensation offered by Standard Life, which I understand remains available, should Mr B now wish to accept it.

I appreciate this is a very unsatisfactory position for Mr B and I'm sorry about that. But it is not something I can change. If Mr B wishes, our investigator can direct him to access the relevant part of the FCA Handbook online or provide a postal copy if this is required.

For the reasons I have given, the scope of what I can consider is limited. The only aspect of the complaint I can address is for me to determine if Standard Life has treated the estate (rather than Mr B) unfairly by consequence of any act or omission which arises from the relationship the late Mrs B had with Standard Life, providing this relates to or is ancillary to the undertaking of a regulated activity. So, I have looked at the parties' submissions in respect of administrative delays – notably where Mr B submits that Standard Life caused an identifiable financial loss to Mrs B's estate and costs could potentially occur after Mrs B died.

However, I do not agree with Mr B's view that the estate has suffered a loss. Standard Life has noted how during the time between receipt of the GoP in January 2021 and settling the account following Mr B's instruction in May 2022, the investments had risen by over £15,000.

I am persuaded that the list of identifiable delays caused by Standard Life exceeding its ten working day service level agreement broadly accounts for the occasions where Standard Life ought to have dealt with Mr B's administrative requests more quickly than it did. I realise that Mr B believes these are more extensive. And I must also be mindful of the additional delay on Mr B's side of eleven months (though an understandable explanation for the delay was given) also added to the overall time it took to sell down the holdings and settle Mrs B's investment account.



In any event, I haven't seen any objective evidence that any of these delays directly contributed to any financial loss beyond the gain the investments made whilst the holdings remained invested until the settlement instruction was received from Mr B. Nor am I persuaded that there is any consequential cost to the estate, such that the funds would otherwise have provided an identifiable return in excess of the gain received by the funds remaining invested. I therefore don't agree that this aspect of the complaint should succeed.

Finally, I note as an aside that in his letter of 27 October 2023, Mr B raised concerns about two 'wrap payments' of £0.84 and £1.74 to his executor account for the estate in May 2023. I can see that in the settlement letter of 26 June 2022, Standard Life told Mr B how "*due to the types of investments that were held on the account there can potentially be further monies posted after settlement for dividends and interest. Any further potential residual payments will be forwarded to the same account in due course. No confirmation letter will be sent for these payments however the payment will have the WP [wrap portfolio] number as a reference in order for you to identify where they have come from*".

I believe Standard Life has sought to explain the prospect and nature of these residual payments. However, this issue had never been raised as a complaint point since it occurred after the complaint was pursued at this service. If the matter remains unresolved, Mr B could explore this with Standard Life directly in the first instance.

I can also see that Mr B previously made a subject access request to Standard Life in 2022. It is unclear whether that was ever satisfactorily resolved. If this isn't the case, Mr B can seek assistance via the Information Commissioner's Office regarding data queries.

Overall, I am satisfied that Standard Life does not need to do anything further to resolve the estate's complaint.

### **My final decision**

Despite my sympathy for Mr B, I cannot uphold this complaint on behalf of the estate of Mrs B or make any award for the reasons given.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B on behalf of the estate of Mrs B to accept or reject my decision before 9 May 2025.

Jo Storey  
**Ombudsman**