

## The complaint

Mrs M complains that Santander UK Plc (Santander) won't let her have access to some funds.

## What happened

Mrs M has an account with Santander. She was a cousin of the wife of a recently deceased Santander customer – who I will call Mr X. I will call Mr X's wife 'Mrs Y'.

Mr X sadly died on 15 September 2019. His wife, Mrs Y, was the sole executor and beneficiary of his will.

On 1 October 2019, there was a branch visit, and Mr X's account was closed and the balances of Mr X's account (£29,983.19) were paid to Mrs M's Santander account. The late Mr X's accounts were then closed.

Mrs Y sadly died shortly afterwards, on 30 October 2019.

On 9 February 2022, Santander received a letter from a firm of solicitors acting for the executor of the late Mr X's estate. This questioned why the funds were paid to a third party (i.e. Mrs M) in October 2019. On 31 August 2022, the solicitors showed a Grant of Probate (GOP) of Mr X's will dated 19 August 2022 – which named another party as the executor of Mr X's will – as the previous executor (Mrs Y) had died without having proved the will.

The solicitors said the money was not due to Mrs M, but should be paid to the new executor of the will of the late Mr X – in accordance with the GOP dated August 2022. They said the funds that were paid to Mrs M in October 2019 should be paid back to the estate for distribution by the new executor and asked why the funds had been paid to Mrs M in October 2019.

On 22 September 2022, Santander paid £29,983.19 to the solicitors. Santander wrote to Mrs M on 22 September 2022 and said it had come to light that she was not the executor of the estate of Mr X and wasn't entitled to give instructions or to receive the money. Santander said they'd paid the money due to the estate and asked Mrs M to return the money to the bank.

## Mrs M's complaint:

Mrs M is represented by another firm of solicitors, but I will refer to her as the complainant here. She said:

- On 1 October 2019, she went to a branch of Santander with the late Mrs Y – at Mrs

Y's request.

- Mrs Y instructed Santander to close Mr X's account and showed a copy of Mr X's will (which nominated Mrs Y as the executor and sole beneficiary) and death certificate to the staff member. The staff member took a copy of the will.
- Santander advised they couldn't pay the funds into Mrs Y's account at another bank, and Mrs Y didn't have an account with Santander. The money was instead transferred into Mrs M's Santander account.
- Mrs M was asked to sign a form and gave her driving licence as ID. Mrs M didn't read the form she signed and was advised she had to sign as she was putting the money into her account.
- After the appointment, Mrs Y told Mrs M that she was gifting the money to Mrs M and she could keep it.
- On 31 October 2022, (three years later), Mrs M was surprised and upset to receive a phone call from Santander which referred to a letter the bank had sent to her. The letter had been sent to the wrong address – which could've caused embarrassment to Mrs M.
- *Mrs M says:*
  - o Santander didn't act in accordance with the will – as they didn't pay the money to Mrs Y (the executor and beneficiary of the will). Santander acted prematurely in paying the money to a third party, rather than to Mrs Y. Santander failed to follow its correct procedures.
  - o This led to the funds being paid incorrectly to Mrs M, which they are now trying to reclaim – when the money was gifted to her by the late Mrs Y.
  - o At no time did Santander explain to Mrs M that she was signing a form that said she was entitled to the funds and was asserting herself as the executor of Mr X's will.
  - o Santander incorrectly accused Mrs M of asserting herself as the executor of the will, which she never did.
  - o The letter to Mrs M was sent to the wrong address, even though she was a long-standing customer of Santander and lived at the address for many years. The thought of someone locally seeing the letter (accusing her of fraud) caused her great distress.

*Santander said:*

- They received a signed and completed Bereavement Form (BF) and took a copy of Mrs M's photo ID and payment instructions to close Mr X's account. By completing that form, Mrs M notified Santander that she was responsible for the estate. They

enclosed a bank BF.

- In September 2022, they received a GOP naming a third party as the rightful executors of the estate and paid the money to that executor.

Our investigation so far:

Mrs M brought her complaint to us. Our investigator said:

- He couldn't comment if Mrs M was entitled to the funds – this was a matter for the courts to decide.
- But the evidence showed that Mrs M signed the Bereavement Form to say she was executor of the estate; and the form included an indemnity which said that the signatory would reimburse Santander for any losses and/or costs incurred as a result of the monies being paid or transferred. Santander's policy is that no supporting documents are needed as long as the indemnity is signed and the value of the account is less than £50,000.
- There was no record of Mrs Y being at the meeting.
- He didn't consider Santander's letter to Mrs M insinuated she acted fraudulently. It simply stated matters of fact.
- He upheld part of the complaint – that the letter to Mrs M was sent to the wrong address. There wasn't any evidence that it was received or read by a third party but said compensation of £150 was appropriate.

Mrs M didn't agree. She further said:

- A copy of the will was provided at the meeting on 1 October 2019 but hasn't been evidenced by Santander.
- Santander haven't acknowledged the presence of Mrs Y at the meeting – there must be records that she was there. She asked for CCTV, branch visit records or branch notes.
- If Santander maintain that Mrs M attended the meeting on her own, then they must evidence paperwork which shows that Mrs M claimed to be the executor. In the absence of that, Santander has failed to carry out due diligence and paid monies to a third party. If that's the case, it's unacceptable that Santander can pay money to anyone without proper authority.
- The instruction to close the account came from Mrs Y, not Mrs M. Where is the evidence that Mrs M was empowered to close the account?
- The sending of a sensitive letter to the wrong address was a breach of data. Mrs M's correct address was shown on the BF; so Santander made an error in sending it to another address.

Mrs M asked that an ombudsman looks at the complaint, and so it has come to me to do that.

**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.

At the outset – allow me to say that I’m not going to decide whether Mrs M is or isn’t entitled to receive money or any other assets from the late Mr X’s estate. Ultimately, that’s a matter for the courts to decide upon – if Mrs M wishes to go down that route.

Let me also clarify our role, and therefore how I arrive at this decision. This service resolves individual disputes between customers and financial businesses. We aren’t the regulator of Santander – that’s the Financial Conduct Authority (FCA). So – we don’t tell businesses to change their policies or practices. So – it’s for Santander to make its own commercial decisions as to how it runs its bereavement process. But we do say if a customer has, or hasn’t, been dealt with fairly and reasonably – based on the individual circumstances of their complaint; and whether Santander reasonably followed their processes.

I can only make a decision based on the relative evidence I’ve seen – from both parties.

I’ve looked at Mrs M’s complaint accordingly.

I asked to see Santander’s operating procedures and records relating to this complaint. These show:

- A Grant of Probate (GOP) is only needed where balances on the accounts are more than £50,000.
- Santander can pay away balances under £50,000 on the instructions of the Customer Representative who informs Santander of the death; providing that person provides evidence of the death (such as a death certificate) and provides suitable ID.
- A Bereavement Form (BF) is to be completed by the Customer Representative; this includes an indemnity.
- Santander will then pay the money away – and where that is the person who signed the indemnity, the ID of that person is required.
- The bank doesn’t need the authority of everyone named on the BF to close the account.

I note that: Santander did not need to see a copy of the will, nor act in accordance with it – as they wouldn’t know if it was the current will, or if it has been replaced by other wills. They rely on the advice of the Customer Representative about who is entitled to the money in the account – and for that reason, ask that the BF and indemnity is signed.

I then looked at whether Santander acted in line with their processes. And I’m satisfied they did:

- The balance of the late Mr X’s account was less than £50,000.
- The money was paid away on the instructions of Mrs M. Santander’s records show that on 1 October 2019, Mrs M advised the bank of the death of Mr X and showed the death certificate (this was ticked on the BF). Santander cannot evidence a copy of the death certificate, but their records indicate they were shown it.
- Mrs M signed the Bereavement Form and indemnity. I looked at the signed document – and it’s important to note its content. It says:

- The Customer Representative is named as Mrs M.
- The form says: *"by signing below, I confirm or agree...I am the deceased's customer representative....I am entitled, either solely or with others, to the balances in the late customer's accounts with Santander...."*

*"I will be responsible for any losses which Santander UK plc may incur as a result of (i) acting on my/our instructions in relation to any payment or transfer of monies; or (ii) another person being entitled to a share of any monies paid...I agree to reimburse Santander UK plc for any losses or costs incurred".*

- Santander have shown us evidence that Mrs M confirmed her ID with 'chip and PIN' – from her Santander debit card.

So here, Mrs M signed the Bereavement Form to say she was acting as Mr X's representative; that she was entitled to the money in the account; and that she would indemnify Santander of any losses incurred in the future as a result. And – that's what's happened here – as another GOP has been evidenced which says that an executor has been appointed, and wants the money to distribute.

Mrs M argues that she and the late Mrs Y attended the branch and the late Mrs Y said she could have the money. I asked for the branch CCTV – but this isn't available as it is only retained for 30 days. And in any case, if it were available, it won't likely evidence what was discussed.

We asked for more information about the branch visit. Santander showed us the records of which accounts were accessed on the 1 October 2019 – and only the accounts of the late Mr X and Mrs M were looked at. And - that's logical as both had to be looked at: Mr X's as that was the account in question, and Mrs M's to confirm her ID.

Santander confirmed that Mrs Y didn't bank with Santander – so she didn't have an account to look at. So here – there's no evidence show that Mrs Y attended the branch with Mrs M. That's not to say she didn't – but that there's no evidence she did.

Mrs M argues that she was asked to sign the BF because she was receiving the money - and it wasn't explained to her. I've considered this point – but I can't reasonably make a decision in her favour on something that might have been said or not explained. There are no other records of the branch visit, for example, account notes.

Mrs M argues that the money had to be paid into her account – as she said she was told Santander's processes said the money had to be paid into a Santander account. I looked at the bank's operating instructions here – and there's nothing that says this was the case.

And we asked Santander more about this - and they confirmed that money in deceased's accounts can be paid into other banks' accounts, and the recipient account doesn't have to be a Santander account. And, that's logical of course - as beneficiaries will not always bank with Santander. So, based on that, I'm not persuaded that was a reason for the money to be paid to Mrs M's account.

In summary, I consider:

- Santander followed their operating processes.
- Mrs M signed the BR to say she was acting as the representative and was entitled to the money. And agreed to indemnify Santander if there were any losses as a result.

- Mrs M showed her ID in connection with the BR.
- There was no reason within Santander's processes for the money to be paid to a Santander account.
- I can't see any evidence that the late Mrs Y attended the meeting in the branch with Mrs M.

So, based on the evidence I've seen, I do not uphold this aspect of Mrs M's complaint.

Turning to the letter being sent to the wrong address:

- I can see in Santander's records that Mrs M advised the bank of the address (to which the letter dated 22 September 2022 was sent) when she visited the branch on 1 October 2019.
- But - she put her correct address on the BF when she completed it.
- Santander said they sent the letter to the address advised by Mrs M when she advised them of Mr X's death. But on the other hand, as Mrs M has said, she's been a long-standing customer of Santander and hadn't moved house for over 20 years.
- So here, I'm persuaded that Santander made an error, and the letter contained some information that a third party could've seen.
- But equally, there's no evidence that any embarrassment was caused to Mrs M by this error, and I agree that Santander should pay £150 compensation for this.

So, I am upholding this complaint for the error in sending the letter to the wrong address. I know that's not as much as Mrs M hoped for, but I want to reiterate that I've looked at all the evidence here in reaching my final decision.

### **My final decision**

I uphold this complaint. Santander UK Plc must:

- Pay compensation of £150 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 7 March 2024.

Martin Lord  
**Ombudsman**