

The complaint

Ms S, representing the estate of Mr G, complains that Santander UK Plc ('Santander') failed to correctly pay out money from Mr G's accounts and failed to comply with Ms S's communication preferences.

This complaint has been brought by the estate of Mr G. The estate is represented by Ms S. For ease of reading I've referred simply to Ms S throughout this decision.

What happened

Mr G had three accounts with Santander. In January 2018 he passed away without a will.

On 5 March 2018 a law firm which I'll refer to as 'L' wrote to Santander saying it acted in the administration of Mr G's estate. L said it would provide a grant of probate in due course and asked Santander to provide an account closure form in the meantime.

On 29 June 2018 a court granted administration of the estate to Ms S as the personal representative of Mr G.

On 2 August 2018 L wrote to Santander enclosing a bereavement instruction form and letters of administration for Mr G's estate. The bereavement instruction named Ms S as the administrator of Mr G's estate and it included a signature in her name authorising the closure of Mr G's accounts. The form named L as the legal representative of the estate and instructed Santander to make cheques out to L.

On 9 August 2018 Santander wrote to L by post saying it had closed two accounts belonging to Mr G and it enclosed a cheque for the balances which made up a combined total of about £178,000. It said it would also soon close Mr G's investment account.

Santander has provided this service with a record showing it issued a cheque on 9 August 2018 for about £178,000 to L. And it's provided this service with a copy of the cheque. Santander included an instruction that the cheque couldn't be cashed and had to be paid into the bank account of L. A printout from Santander's systems says a clearing house payment request was made in relation to the cheque on 14 August 2018.

Santander's record of Mr G's investment account says Mr G's investments were sold on 10 August 2018 and the proceeds were paid out by cheque on 16 August 2018.

On 17 August 2018 Santander wrote to L by post saying it had encashed Mr G's investments and it enclosed a cheque for the proceeds which amounted to nearly £600. A printout from Santander's system says the cheque for nearly £600 was cashed on 22 August 2018.

About four years later, on 8 October 2022, Ms S wrote to Santander asking what accounts Mr G had held with Santander and saying she wanted to check whether there had been any unauthorised transactions on the accounts. Mr S enclosed with her letter a statement of account for Mr G's estate. The statement said it had been produced by L. And it was signed in Ms S's name, with a date of 3 January 2019 beneath a statement that said, *'Please sign*

below to confirm your approval of these accounts and the distributions detailed'. Amongst other things the statement said Mr G had possessed three accounts with Santander and the balances of all three had been paid out to L. That included the balances of about £178,000 and about £600. The statement said L had made interim payments to Ms S of monies collected for the estate and it had, at the time, one remaining payment to make to her to complete the distributions.

On 18 December 2023 Ms S called Santander. She says that during the call she told Santander she required email contact instead of postal contact, but Santander then sent her a letter and didn't send any emails. Ms S also says that during the call Santander told her a balance of about £178,000 was still showing on Mr G's account. She said she gave Santander her bank details and Santander said it would pay the balance to her account but she then didn't receive any payment.

On 19 December 2023 Santander called Ms S. It said that, on the previous day, it had told her the funds were still showing in the account because it had looked at a particular system which hadn't been updated when Mr G's account had been closed. But it said that, now, having looked at its main system it could see that it had given Ms S wrong information on 18 December 2023. It said that in fact the funds were no longer showing in Mr G's account and they had had been sent to L by cheque when the account had been closed.

Ms S complained to Santander. Santander said it could see the situation had caused Ms S problems, but that wasn't because of any mistake made by Santander. It said the following:

- Santander was notified on 6 March 2018 that Mr G had passed away. And on 2 August 2018 it received a letter and completed bereavement instruction form from L requesting that Mr G's accounts be closed. The letter also included a copy of the grant of probate confirming Ms S was the executor of Mr G's estate, and the bereavement instruction form which was signed by Ms S.
- Santander closed Mr G's savings accounts on 9 August 2018 and sent the closing balances by cheque to L. And it closed the investment account on 13 August 2018 and again paid the balance to L.
- When selling the investments Santander charged a fee of 1.9% (with a minimum of £70) per sale and deducted the fee before sending the remaining amount by cheque.
- Santander didn't take any other money from the balances of the Mr G's accounts before sending them L. And if any money had been taken before Ms S received the balances then she should speak to L about that.

Ms S wasn't satisfied with Halifax's response. So she referred her complaint to this service. She said Santander had told her there was money remaining in Mr G's account, but it then failed to pay the money out and it didn't comply with her preferred method of contact.

One of our Investigators looked into Ms S's complaint. He didn't think Santander had failed to pay out money from the estate, but he thought Santander's communication with Ms S about that should've been better. In summary he said the following:

- It would've been frustrating for Ms S to have been told on 18 December 2023 that funds were showing in Mr G's account only to be told on 19 December 2023 that the funds had been paid out of the account in 2018. But Santander had corrected the error quickly.
- Because Santander didn't have a recording of the 18 December 2023 phone call, it

wasn't possible to check whether Ms S told Santander during that call that she wanted contact by email only. A recording of the 19 December 2023 showed Ms S was expecting an email, but Santander referred only to communicating '*in writing*' without distinguishing between email and letter. Santander could've been clearer and clarified Ms S's contact preferences during the call.

- Santander should pay Ms S £75 to make up for the shortcomings in its service to her.

Ms S didn't agree with the investigator's opinion. In summary she said the following:

- She wanted to see evidence of a signed form requesting the closure of Mr G's investment account. The documents relied on by the investigator hadn't included a signed form authorising closure of Mr G's investment account.
- She wanted to know why Santander had a recording of one phone call but not the other.
- She wanted evidence L had cashed the funds from Santander.
- She wanted to know who was legally entitled to receive funds after an official receiver certificate had been signed.

In response to Ms S the investigator said the following:

- The signed bereavement instruction form, which the investigator sent to Ms S, included her signature authorising the closure of three listed accounts, and those three accounts included the investment account to which Ms S referred.
- Santander said not all calls were recorded.
- For a view on who was legally entitled to receive funds Ms S should refer her query to L.

Ms S said L had signed the bereavement instruction form in her name and added account numbers afterwards on the form. She said she hadn't received money from Santander and Santander should've paid her direct.

The investigator said Santander had acted reasonably by paying the money to L because it had a signed instruction to do so, and it had no reason to think Ms S's signature on the instruction wasn't genuine. He said it wasn't unusual for financial services providers to pay funds from a deceased estate to a legal representative where the legal representative is dealing with the administration of the estate.

Ms S wasn't satisfied with the investigator's explanation. Because no agreement could be reached, the complaint was passed to me to review afresh and make 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 reached the same conclusion as the investigator, for essentially the same reasons. I've found there were some shortcomings in Santander's communication with Ms S in December 2023, but I haven't found Santander acted unreasonably or unfairly in the way it paid out the money from Mr G's estate. I'll explain why.

The purpose of this decision is to set out my findings on what's fair and reasonable, and explain my reasons for reaching those findings, not to offer a point-by-point response to every submission made by the parties to the complaint. And so, while I've considered all the submissions by both parties, I've focussed here on the points I believe to be key to my decision on what's fair and reasonable in the circumstances.

Based on the evidence provided, I'm satisfied Santander paid the money from Mr G's three accounts to L in 2018. That includes the amount of about £178,000 which Santander wrongly said was still in Mr G's account in 2023. That the money was paid out to L is shown by copies of cheques, letters and statements, and records of cheques being cashed and drawn. It's also shown by the statement of account prepared by L which Ms S sent to Santander and which acknowledged that Santander had paid the balances of Mr G's accounts to L.

Also based on the evidence provided, I've concluded it was reasonable and fair for Santander to have paid that money to L. Ms S has said the signature on the bereavement instruction form wasn't genuine. But Santander had no reason to think it wasn't genuine. The form included personal details of Ms S which suggests she was likely to have been involved in completing it. Although Ms S has said L signed her name on the form and added account numbers to the form sometime later, I see no reason why Santander should've suspected that. It's not unusual for the estate of a deceased person to appoint a legal representative to act in the administration of the estate. This is evident from the fact Santander's bereavement instruction form included a section for solicitors' details to be provided if a solicitor had been appointed to act on behalf of the estate.

Also, the fact Ms S sent Santander a statement of Mr G's account which had been prepared by L suggests to me that L had been appointed to act for the estate. That statement included a signature from Ms S to confirm the content of the statement was correct. And I wouldn't expect Ms S to have sent that signed statement to Santander if it wasn't correct, if she hadn't instructed L to act for the estate, or if the signature given in her name wasn't genuine.

Because I've found that Santander had already paid out the £178,000 from Mr G's account by the time of the 18 December 2023 phone call, I can only conclude that Santander gave Ms S wrong information on 18 December 2023 when it said that about £178,000 still remained in one of Mr G's accounts. And Santander has accepted that it did give Ms S wrong information about Mr G's money during that call. I note that Santander corrected the mistake one day later, on 19 December 2023. But I find that the mistake caused Ms S distress and inconvenience by allowing her to think for a time that she'd be receiving a sizeable payment before she was told that no such payment was owed.

Because Ms S was evidently expecting an email after the call of 18 December 2023 I accept on balance that she told Santander during the phone call that her preferred method of contact was email. And I find that Santander should've accommodated her preference rather than send her a letter as it did. This shortcoming on the part of Santander will also have caused Ms S some distress and inconvenience.

I understand Ms S's frustration over the fact Santander didn't record the 18 December 2023 phone call. But I don't think a recording of that call would've changed things for Ms S. I say that because Santander has already acknowledged it mistakenly said there was money remaining in Mr G's account. And I've concluded – even without the benefit of a recording – that Ms S is likely to have said during the 18 December 2023 call that her preferred method of contact was email. So based on what Ms S has said about the call, those elements of her complaint wouldn't be any different even if recordings existed. And a recording of Santander saying that £178,000 remained in Mr G's account wouldn't change the fact that Santander said that in error, and the money had already been paid out of the account.

Overall, Santander didn't communicate with Ms S as well as it should've when she made contact in December 2023. And it needs to put that right for Ms S. But in relation to the money paid out by Santander from Mr G's account, I can't say Santander has done anything wrong.

Putting things right

To put right the distress and inconvenience its shortcomings caused Ms S, Santander UK Plc must pay her £75.

My final decision

For the reasons I've set out above, my final decision is that I'm partly upholding this complaint. Santander UK Plc must pay Ms S the amount set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr G to accept or reject my decision before 7 January 2025.

Lucinda Puls
Ombudsman