

## **The complaint**

Mr D and Mrs L complain that Countrywide Assured Plc delayed paying the proceeds of their Home Purchase Plan.

## **What happened**

Mr D and Mrs L's Home Purchase Plan was due to mature in June 2023 and in May Countrywide issued a maturity pack. When it didn't receive a response Countrywide sent chasing letters to Mr D and Mrs L in July and August. Mrs L called Countrywide on 23 August to explain Mr D wasn't available to complete the documents she'd received. Countrywide issued a split maturity pack on 23 August by post. The new maturity form Countrywide enclosed was signed by Mr D and Mrs L on 30 August and was received in the post by Countrywide on 4 September.

Countrywide decided that in the circumstances of this case it needed to speak with Mr D to proceed with the maturity pay-out. After failing to contact Mr D by telephone it wrote to him to ask him to make contact. On 17 October Mrs L called Countrywide and was told it needed to speak with Mr D before it would proceed to paying out the maturity. Mr D called a few days later and answered some security questions. After considering the case further, Countrywide decided that it wanted to verify Mr D's identification and confirmed this in a letter to Mr D dated 27 October. Countrywide paid out the split maturity proceeds plus interest on 20 December.

Mr D and Mrs L complained to Countrywide that it had delayed the pay-out of the maturity value. Countrywide didn't uphold the complaint and Mr D and Mrs L brought the complaint to the Financial Ombudsman Service. One of our Investigators looked into things and thought that Countrywide had reasonable grounds to ask for further information and certified identification from Mr D in this case. But the Investigator thought its communication could've been better, and it should have kept Mr D and Mrs L better informed of the process and the expected timescales for the pay-out to complete. Our Investigator thought that Countrywide should pay Mr D and Mrs L £150 to recognise the distress and inconvenience this caused.

Mr D and Mrs L asked that an Ombudsman decides the complaint as they believe the Investigator didn't consider the additional mortgage interest incurred between the maturity date and the pay-out.

## **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 understand Mr D and Mrs L will be disappointed, but I've decided that in the circumstances of this complaint Countrywide took reasonable steps to ensure the pay-out was made to the correct parties. However, there are times when I think Countrywide could have been clearer with Mr D and Mrs L about what it was that it required to make the pay-out and what the reasonable timescales could be. I will now explain why.

Although Countrywide first sent the maturity pack to Mr D and Mrs L in May 2023, it wasn't until 23 August that Mrs L called Countrywide to explain Mr D wasn't available to sign the maturity pack at the time. Mr D, Mrs L and Countrywide are fully aware of the reasons why Mr D was unavailable. I don't intend explaining what these reasons were in my decision, but I have taken them into account when deciding if Countrywide treated Mr D and Mrs L reasonably.

Countrywide became aware Mr D wasn't available to sign the maturity pack documents on 23 August. It sent out a new split maturity pack at the request of Mrs L and shortly after this, Mr D and Mrs L returned the signed maturity form to Countrywide. I understand Mr D and Mrs L expected Countrywide to process the pay-out, but I also have to take into account that only days after Mrs L had told it that Mr D wasn't available – and the reasons why – Mr D had now signed the form as required. As Countrywide is required to ensure it is satisfied the form has been signed by both parties before it pays out the proceeds of the policy, I don't think it was unfair and unreasonable for it to want to make contact with Mr D to ensure he had signed the form.

Countrywide has provided call records to show that after it attempted to contact Mr D on the telephone number it held for him and received no response, it sent a letter to him asking him to call. I note that Mrs L called Countrywide on 17 October and that she was frustrated the payment was being delayed, but Countrywide explained it would need to speak with Mr D before it could proceed.

Mr D called Countrywide a few days later and answered security questions as required. The notes Countrywide has provided support that at this time it had received all the documents it needed and that it had passed the information on to a team that deals with these sort of cases to approve the pay-out. That is more likely than not why Mr D and Mrs L believed the payment would be made without the need for further identification for Mr D. Unfortunately, Countrywide decided that because of the circumstances of this case, it needed Mr D to provide certified copies of identification documents before it would release the pay-out. But Countrywide didn't tell Mr D and Mrs L that this was required until two weeks later.

Mrs L called Countrywide on 15 November to explain that, for the same reasons as she had disclosed previously, Mr D wasn't available again and hadn't been available since 10 November. I haven't seen when Countrywide received the certified documents, but I have seen that the maturity value plus interest was paid into Mr D's account (50%) and Mrs L's account (50%) on 20 December.

It's not the role of the Financial Ombudsman Service to tell Countrywide what it must do to satisfy itself that it's paying out the proceeds of an investment to correct parties. It is The Financial Conduct Authority who regulates Countrywide and who provides guidance in this regard. However, I can consider whether the actions Countrywide took before it paid out the maturity value to Mr D and Mrs L were fair and reasonable in the circumstances of this case.

I don't think Countrywide acted unreasonably in seeking to obtain certified identification for Mr D. In this case it seems reasonable that Countrywide had concerns about the initial delay in Mr D and Mrs L responding to the maturity pack. These concerns no doubt increased when Mrs L told Countrywide that Mr D was unavailable to respond – and the reasons why. It wasn't unreasonable that after speaking with Mr D in mid-October Countrywide took the decision to ask him to provide certified identification to satisfy itself the pay-out was being made in accordance with the instructions it had received. Because Mr D later became unavailable again in mid-November this would also most likely have prompted further concerns for Countrywide.

Taking all of this into account I've decided that Countrywide treated Mr D and Mrs L fairly

and reasonably. It had a responsibility to protect both Mr D and Mrs L from any potential fraud and once it had received the certified documents for Mr D that it required, I'm persuaded it paid out the maturity amount plus interest from the maturity date.

However, I've decided that when Mr D called Countrywide in mid-October, it could have been clearer than it was in explaining what else may be required before it could make the pay-out. Regardless of this, it was a further two-weeks before Countrywide wrote to Mr D and Mrs L to tell them it needed Mr D to provide certified identification documents. I've not seen anything to support Countrywide called Mr D or Mrs L in this regard, and I think making such a call would have been a better level of service. The delay in promptly making Mr D and Mrs L aware that further documents were required caused them to become frustrated. It demonstrates that although Countrywide did what I would expect it to in verifying Mr D, I think on balance it could have kept Mr D and Mrs L better informed than it did. Because of this I've decided Countrywide should pay Mr D and Mrs L £150 to resolve the complaint.

Mr D and Mrs L believe that the delay in receiving the maturity proceeds caused them to pay more interest on their mortgage than the policy was intended to repay. However, Mr D and Mrs L didn't sign and return the maturity pack until 30 August. In addition, they didn't provide the certified identification documents Countrywide required until after Mr D was available again - sometime after 15 November. This also had a significant impact on the delay in Countrywide completing the pay-out. Regardless of this, I'm not persuaded Mr D and Mrs L intended to pay off their mortgage from the pay-out as the payments were made to separate high interest rate accounts, and the most recent mortgage statement they have provided shows no further amount has been paid off the balance even after Mr D and Mrs L received the pay-out in December 2023. So, I won't be asking Countrywide to do anything else in this regard.

### **My final decision**

For the above reasons I've decided Countrywide Assured Plc should pay Mr D and Mrs L £150 to resolve the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D and Mrs L to accept or reject my decision before 8 October 2024.

Paul Lawton  
**Ombudsman**