

The complaint

The estate of Mr O complains HSBC UK Bank Plc delayed closing an account.

What happened

The estate of Mr O is represented by Mrs M, and another executor, but Mrs M has made the submissions to this service so I'll only talk about her in my decision.

Mr O sadly passed away, and Mrs M took the will into an HSBC branch to close Mr O's account. There was some poor service, and HSBC either didn't copy, or didn't scan the last page of the will.

HSBC paid some bills due to the estate, even though it still needed a full copy of the will, and its bereavement team spoke to Mrs M. Mrs M was told she'd need to get a grant of probate before HSBC would close the account and release the money in it.

Mrs M got a grant of probate, and the account was closed. Mrs M complained to HSBC about the time it took to close the account. Mrs M said she'd been told HSBC needed probate because she wasn't a blood relative of the late Mr O.

HSBC responded to say it didn't scan the will correctly, and a branch had been closed when Mrs M first tried to give the grant of probate to HSBC. But HSBC said Mrs M had been told about the grant of probate process. HSBC offered Mrs M £50 to compensate.

Unhappy with this response Mrs M brought her complaint to this service and an investigator looked into things. The investigator didn't think the complaint should be upheld, as HSBC was allowed to ask for a grant of probate.

The investigator thought the request for probate was HSBC's process, not because Mrs M wasn't a blood relative. The investigator agreed Mrs M was probably told this was the reason, but it was incorrect and didn't change the need for probate.

The investigator didn't see a loss to the estate of Mr O, and couldn't look into any distress or inconvenience of the executors as they aren't eligible complainants.

Mrs M disagreed, and the investigator mentioned the size of the property forming part of the estate. Mrs M didn't think this was relevant, and it wasn't majority owned by the estate.

But Mrs M said the delay in settling the estate delayed refurbishments on this property, and therefore the sale of the property, and this has caused a loss to the estate. Mrs M asked for an ombudsman to decide things.

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.

Mrs M says HSBC's request for probate delayed the settling of the estate, causing a loss. For me to uphold this complaint I'd need to decide HSBC was wrong to ask for probate.

There's no dispute there was some poor service at the start of the process, HSBC failed to correctly scan or copy the will, but this was a minor delay. And in the meantime, HSBC agreed to pay bills the estate was responsible for, which is the right thing to do.

Mrs M first visited an HSBC branch on 14 March 2024, and HSBC received a full copy of the will on 28 March 2024. HSBC wrote to Mrs M on 7 April 2024 with a closure form and the need for a grant of probate.

The grant of probate was issued on 23 May 2024 and Mrs M tried to visit the closed branch on 14 June 2024. HSBC received all the forms it needed on 17 June 2024 and the late Mr O's account was closed on 3 July 2024.

Overall, the process took a little under four months. But at least two of these months were where HSBC had asked Mrs M for a grant of probate and Mrs M sending it to HSBC.

In the circumstances I think HSBC is entitled to ask for a grant of probate. HSBC's primary responsibility is to ensure the estate of Mr O is correctly represented and it's giving out any money to the people authorised by law to represent and execute the estate.

I might think it unfair if HSBC had asked for a grant of probate on a small estate, which in England is £5,000. But the late Mr O had over £30,000 in his HSBC's accounts when he passed away. I think HSBC acted fairly in asking for a grant of probate.

Other banks may not ask for a grant of probate, and even where more money is held in accounts. But from what I can see, there's no specific guidance for banks on the amounts held in accounts they can release without the need for probate.

UK Government guidance appears to say the individual bank will tell you if it needs a grant of probate. This is what HSBC did, and I don't think it acted unfairly here.

And I don't think HSBC asked for a grant of probate because Mrs M wasn't a blood relative of the late Mr O. I think someone in HSBC likely said this to Mrs M, but I think this was poor service and the wrong thing to say, rather than the reason for the probate being needed.

I agree with the investigator, HSBC saying Mrs M wasn't a blood relative was an insensitive and upsetting thing to say. But Mrs M isn't an eligible complainant, only the estate is. I can't compensate Mrs M for this insensitivity and upset.

And I agree with Mrs M, discussions around any property held by the estate was, I think, irrelevant to HSBC's decision making around the need for probate. Having probate might mean it's easier to settle the estate, but either way HSBC was entitled to ask for it.

Since I don't think HSBC acted unfairly in asking for a grant of probate, before closing the late Mr O's account, I can't hold it responsible for the delays this caused. And if these delays caused a loss to the estate, I can't say this is HSBC's fault.

In HSBC's final response to Mrs M, it offered £50 to compensate for the poor service she received. I can't comment on this offer, but the offer is still open. I leave it to Mrs M to

contact HSBC if she'd like this £50 paid to her.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr O to accept or reject my decision before 18 November 2024.

Chris Russ
Ombudsman