

The complaint

The estate of Mrs B complains about Bank of Scotland plc, trading as Halifax, delaying the switching of funds to an ISA. Also, the service and complaint handling actions when they attempted to put things right.

What happened

Mrs B sadly passed away in July 2023.

Halifax errors caused a delay in crediting Mr B, the husband of the late Mrs B, with £71,675.12 from Mrs B's ISA and estate to Mr B's ISA for the period 6 November 2023 to 26 March 2024.

This delay caused interest to be lost. Also, frustration, inconvenience and upset for Mr B.

Mr B complained to Halifax and, accepting that they had made errors, they apologised and, in an attempt to put things right, agreed to:

- Credit the transferred funds, from Mrs B's ISA and estate, with back dated interest of £1,430.15
- Pay £350 compensation

When initially handling the complaint and calculating the interest Halifax made an error. Due to this, the back dated interest was credited in two separate amounts of £750.68 and £679.47. Also, due to this interest calculation error, Halifax increased their total compensation to £350.

Mr B, representing Mrs B's estate, brought a complaint to our service. This was due to dissatisfaction over Halifax's poor service and complaint handling actions including a concern that the interest hadn't been calculated correctly.

Our investigator explained that he thought Halifax's compensation offer, with backdated interest, was fair and reasonable. Referring to both the lost interest and compensation Mr B said:

- *'I accept your findings. But I cannot confirm the payments made by Halifax are correct.'*
- *'Could you examine the statement and confirm all the payments that had been promised are within the statement and hence paid to me?'*

Our investigator liaised with Halifax and, after analysis of further information including daily interest and compensation payment dates (which he shared with Mr B), he confirmed he was satisfied with Halifax's explanation that the correct amounts were paid.

Although Mr B appears to no longer be challenging incorrect payments of interest or compensation, he remains dissatisfied with how Halifax have handled the complaint, adding that they could've openly and transparently:

- Shared their daily interest payments as to how they came to their value of lost interest.
- Informed him of when the compensation payments had been made.

As Mr B, representing Mrs B's estate, remains dissatisfied this complaint has been passed to me to look at.

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'm not upholding this complaint and I'll explain why.

Although Mr B appears to accept the view of our investigator that backdated interest and £350 compensation is reasonable and correct, I looked at everything afresh.

I should first say I'm very sorry to hear about the sad loss of Mrs B and I'd like to offer my condolences.

Also, I must point out:

- I can see that Mr B suffered distress and worry during his dealings with Halifax and I recognise that this must've been very difficult and upsetting during such a difficult time.
- I've focused on what I think are the important points to reach a final decision. However, I've carefully considered all the points Mr B has made, even if I don't specifically address them all.
- Regarding compensation for Mr B's distress and inconvenience whilst funds were delayed being credited, although Halifax recognise they've made errors and have paid £350 compensation, there are limits to our ability to help. This is because there are rules that apply to this service. These are known as DISP rules, set by the industry regulator (the Financial Conduct Authority), which are available on-line and they explain who is eligible to complain to this service.
 - Despite my empathy for the service Mr B experienced here, I'm unable to consider the impact of Halifax's errors on him. And, for me to tell Halifax to pay more compensation, I must be satisfied that its failings had an impact on the estate. And, as an estate can't feel distress or be upset, I can't compensate it for an emotional impact caused by the delay.
- Regarding Halifax's complaint handling, these DISP rules also apply. These rules mean we are unable to consider how a business manages its complaints, including their processes, actions and accuracy when attempting to put things right including clarity of responses.
- I can understand Mr B's frustration at the overall service he received from Halifax however I can't tell a business to make alterations to their systems, procedures, processes or guidance. I say this because we aren't the regulator of the financial services industry.

From reviewing the file, I'm satisfied that Halifax recognise they made errors here. However, considering the above points on how our service can help, together with Halifax's apologies, willingness to put things right, including back dating of interest to remedy their error and the £350 compensation paid, I also consider Halifax's resolution here to be fair and reasonable.

Also, although I think Halifax could've made their complaint handling responses clearer and clarified their calculations and payment dates, I am satisfied that they have paid the correct amount of compensation here and Mrs B's estate received the right amount of interest.

So, having considered all the above and all the information on file, I'm not upholding this complaint and asking Bank of Scotland plc, trading as Halifax, to do anything more.

My final decision

My final decision is that I'm not upholding this complaint against Bank of Scotland plc, trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs B to accept or reject my decision before 28 January 2025.

Paul Douglas
Ombudsman