

The complaint

W, a company in liquidation, complains that Bank of Scotland plc (BoS) delayed in closing down W's accounts and transferring the monies out.

The complaint is made by Mr and Mrs N, as former directors of W, with the consent of the liquidator.

What happened

In 2024 W went into voluntary liquidation. The company was solvent and there were two accounts with substantial funds in them which needed to be closed. The liquidator proposed to send the funds, once received, to Mr and Mrs N as former shareholders of W. Details were provided to BoS on 1 August 2024.

There were two accounts, a GBP (pound) account which was finally closed and monies received by the liquidator on 28 October. And a USD (dollar) account, the monies in respect of this being finally received on 15 November.

BoS admitted that there were delays on its part. It paid compensation, initially of £75. Subsequently there were further delays and it paid a further £100.

Mr and Mrs N complained that Mrs N spent a long time on the telephone trying to chase up BoS, causing them a lot of stress. They also said that as the monies from the accounts were paid to them personally, they lost a considerable amount of interest.

On referral to the Financial Ombudsman Service, our Investigator explained that Mr and Mrs N couldn't claim for any personal loss as the eligible complainant is the company. She said that BoS should pay a further £75.

BoS accepted this. Mr and Mrs N disagreed and the matter has been passed to me for review.)

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 that BoS first received the instruction to close the account on 1 August 2024. I've seen no real reason given for the delay in closing the GBP account. From BoS's notes it was dealing with the USD account and I believe intended to close both accounts at the same time. The liquidator received payment in respect of the GBP account by 28 October.

However, due to the much larger amount of funds in the USD account, a security code was required. There were considerable delays on the part of BoS in obtaining this, and also a lack of cooperation between departments. Then when the payment was made, it was stopped and returned by the routing team. It was thought that the payment details were incorrect. BoS contacted the liquidator to confirm that the details were correct (which they

were) before attempting to make the payment again. It transpired that the payment had been stopped by BoS's fraud department.

After closure of the GBP account, Mrs N tried to speak to BoS's adviser dealing with the matter several times. She kept getting messages that they were not available and would call her back. She didn't receive a call back and then rang several times and couldn't get an answer. When she managed to speak to the adviser on 13 November, they said that they could only contact the insolvency customer service's team by email. As I've said, payment was received on 15 November.

I understand also that there were delays in answering the complaint after it was reopened following the first final response letter and payment of £75.

As regards compensation, I must reiterate what our Investigator told Mr and Mrs N, that is under the rules that govern us I can only award compensation to the complainant. In this case the eligible complainant is W, the company.

So, I can't award compensation to Mr and Mrs N for any loss of interest, as the monies were paid to their personal accounts. I have considered whether W lost interest. If the accounts were interest bearing, any interest would have been paid at the time of closure, and as W was in liquidation, the monies would not have been moved elsewhere. The intention was always to pay the monies to Mr and Mrs N personally.

I fully appreciate that as they were waiting for a considerable length of time for money to be paid to them Mr and Mrs N were personally caused anxiety and distress. However, W as a legal entity can't suffer distress. I can award compensation for the inconvenience caused to the company by its representatives having to spend time and effort in chasing the matter. Though I have to bear in mind that as W was no longer operating as a company its directors weren't being taken away from other company matters.

BoS has so far paid £175 compensation. Because of the serious delay and the problems in chasing over the phone, I think that the proposal that it pay a further £75 is fair and reasonable. This is taking into account the factors limiting the amount I can award in this case.

Putting things right

BoS should pay a further £75 compensation.

My final decision

I uphold the complaint and require Bank of Scotland plc to provide the remedy set out under "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask W to accept or reject my decision before 21 August 2025.

Ray Lawley
Ombudsman