

The complaint

Throughout this complaint it has mainly been dealt with by Mr S who is acting on behalf of the estate and his sister. So where possible I will refer to him throughout.

The complaint is brought by the Estate of Mrs S.

Mr S is unhappy with Goldman Sachs Investment Bank. Goldman provided an easy access savings account, but it failed to transfer funds when requested and the money returned to a holding account. Mr S noted that while it sat in the holding account no interest was accrued and he said Goldman caused delays too.

What happened

Goldman was notified of Mrs S passing away on 30 August 2024 by Mr S. It required certain forms to be completed and on 9 September 2024 it received a completed bereavement form and Death Certificate.

At this point Goldman closed the account, and the funds were sent back to the linked bank account with Bank L. Unfortunately, the funds were then returned to Goldman. It notified Mr S but as the money couldn't now go to the linked account it would require a Grant of Probate (GoP) to send the money. A letter was sent to Mr S confirming this 10 September 2024. The GoP was returned 4 December 2024.

On 16 December 2024 Goldman emailed Mr S confirming it needed to speak to him by phone. Mr S called the Customer Care Team and discussed his wishes for settlement of the funds. He wanted it paid into a joint executor account. As the GoP noted the other executor Goldman asked for their written confirmation too. Mr S agreed to send this along with a bank statement for the executor account.

Mr S contacted Goldman again on 9 January 2025 for an update on the settlement. It advised him the written confirmation and bank statement hadn't yet been received. Mr S said he had already sent this, so Goldman asked him to send it again, which he did.

Goldman wrote to Mr S on 22 January 2025 confirming the funds had been transferred to the requested account and would be available within five working days. Mr S responded on 24 January to find out why no interest had been earned since the money had been returned in September.

Goldman told Mr S once the funds were returned it went into a holding account awaiting the GoP and didn't earn interest. Mr S complained, and on 30 January Goldman said it wouldn't be upholding the complaint. It said interest stopped accruing when the original account closed on 9 September 2024. It did offer £100 as a gesture of goodwill but Mr S didn't accept this and said the loss of interest was much higher. He brought the complaint to this service.

Our investigator didn't uphold the complaint. She said this service can't make compensation awards to estate representatives as the estate doesn't suffer from distress. She noted there had been a loss of expectation as Mr S felt he had been misled. But she said if the transfer

had gone ahead in September as planned there wouldn't have been any interest paid in the new account as this wasn't a savings account. Our investigator accepted Goldman's point that no interest could accrue from the moment the old savings account was closed and the transfer attempted to Bank L. She agreed the old savings account couldn't be reopened and it was now in a holding account. It said as this stage the money was no longer linked to an account for Mrs S the original account holder. Regarding any delays our investigator reiterated she could only consider losses suffered by the estate. She didn't dispute whether there had been delays but confirmed again an estate can't be inconvenienced as it isn't an individual.

Mr S didn't accept this and asked for the complaint to be passed to an ombudsman for a final 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.

I can see the point Mr B is making. He highlighted a particular email from Goldman which said, *"We understand that often probate can take some time to be processed, so wanted to assure you that the account(s) have been frozen and will continue to earn interest where applicable. Please note any interest earned from the date of death may be reportable to HMRC against the names of any UK resident personal representatives and executors of the estate."*

So as far as Mr S and the estate were concerned the feeling was that interest was still being earned, and I can understand that. But the email does also say regarding interest *"where applicable."* I think it reads to me that this email is more fitting when the account held with Goldman hasn't yet closed, but that might just be my interpretation. Although I can completely accept how Mr S read the email I have to accept it can be read that there wasn't any confirmed agreement stating specifically that interest did apply in this particular case. I note that if the money had been transferred to the joint executor account it's unlikely any interest would have been paid here either. But in view of the problem Goldman did offer the £100 goodwill gesture. I think that's reasonable in the circumstances and hope that Goldman will act to strengthen and improve the email wording further.

Goldman told this service, *"When a deceased customer's account is closed, the funds are settled as per the instructions provided to us on the bereavement form by the Next of Kin. As the linked account had been closed, the funds were returned by the linked account provider. As we are unable to reopen a closed savings account, the funds were held in a holding account whilst we awaited the additional documentation that was now required in order to settle the account (being the Grant of Probate)."*

Funds held in our holding accounts do not accrue interest as they are not linked to an individual customer, and we are therefore unable to assign the interest to specific accounts. We have a legal and regulatory obligation to report interest paid on accounts, including on deceased accounts, and we would be unable to meet this obligation on accounts in this scenario where funds are returned from the Linked Account provider following account settlement."

Goldman is clear that it isn't required to pay any further interest from the point the savings account closed. It said it searched all its email inboxes but wasn't able to locate any email response from Mr S after it emailed him on 16 December 2024.

I can see both sides take a very different perspective. Mr S's reading of the original email is that he's getting interest on the money when it doesn't transfer out whereas Goldman states that isn't the case from the point the savings account closed.

Goldman said when it attempted to transfer the money to the linked account it found the linked account was closed or frozen. As the original Goldman account was now closed funds couldn't be returned to it. This was why the money ended up in a holding account and then the GoP was required. Goldman said from this point it was unable to pay interest.

In terms of any delays Goldman said as an online bank it may require additional information and undertake further checks that other banks may not need. But it apologised for any issues Mr S faced in terms of his expectations and offered the £100 goodwill gesture.

I can't hold Goldman responsible for the linked account being closed or frozen. It isn't responsible for that account with Bank L. It acted in line with the instructions given to it and so I can't say it did anything wrong when it closed the old savings account to move the money either.

It's unclear what happened regarding Mr S's correspondence sent in December 2024 to Goldman. But I can see why Mr S would consider from the point of sending it this became delayed. I note Goldman did apologise and offered the goodwill gesture. In the circumstances I think that's reasonable. It wouldn't be chasing Mr S for further details it would wait to get his instructions. Where correspondence was received, I don't think there were any unreasonable delays from Goldman.

I can understand that Mr S feels he and the estate has suffered delays, lost interest and inconvenience. But this service is unable to award the estate as it isn't an individual person in its own right. And as the complaint is from the estate, we can't make awards to the individuals that represent it. In this case the estate hasn't made a loss as the transfer was to an account that wasn't paying interest so I'm not going to ask Goldman to take any further action.

My final decision

I don't uphold this complaint.

I make no further award against Goldman Sachs Investment Bank.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs S to accept or reject my decision before 27 August 2025.

John Quinlan
Ombudsman