

The complaint

The estate of Mrs S ('the estate') complains that Idealing.com Limited ('ID') refused to make a payment by CHAPS and so caused delay and increased costs for the estate. It also ID failed to provide information needed for the administration of the estate.

This complaint was brought on behalf of the estate by Mr S who was an executor of the estate. Mr S's fellow executor who I'll call Mr J consented to us looking into this complaint.

What happened

Mrs S was a customer of ID. She held an account with a substantial amount of cash and investments. Mrs S passed away in 2023 and probate for her estate was granted on 21 March 2024.

In March 2024 the executors sent the grant of probate to ID and asked ID to liquidate Mrs S's investments and transfer the proceeds. They also asked ID to provide information showing transactions on the account since Mrs S's death, and consolidated tax certificates.

In April 2024 ID and the executors had various communications in relation to how the transfer would be done. At the same time ID liquidated Mrs S' holdings and began sending a series of cheques to the estate.

The executors asked for the transfer to be done electronically in a single CHAPS payment if possible. ID transferred a test amount of £1,000 to the estate by CHAPS. And it said the following:

'We will today, exceptionally and subject to your confirmation, attempt to action another bank transfer manually, in excess of our operational maximum, to the Executor account that you have set up. Our charge will be 0.05% (5 basis points) of the amount transferred for this and subsequent bank transfers.'

We are not able to guarantee receipt time by your bank but in normal circumstance it should arrive within 1 working day of submission and approval.

If you could please confirm your agreement by return email, so that we are able to proceed.'

The executors said in reply that ID's terms and conditions specified a charge of £25 for a CHAPS payment and there was no mention of a charge of 5 basis points. They provided a screenshot from ID's website where information under the heading 'Services and Prices' said that for a standard account 'Tariff 1 – Smart Wealth' CHAPS payments would incur a fee of £25.

On 19 April 2024 ID emailed Mr J. Amongst other things it said the following:

- ID had called him on 4 April 2024 to tell him liquidating Mrs S's investments would result in an extraordinarily large cash balance and ID had payment limits of £5,000

for bank transfers and £50,000 for cheques so the estate might want to consider a transfer in specie because ID wasn't set up to move such a large amount of cash. And it had called to tell him ID would address cheques to the executor only and some banks might not allow such cheques to be deposited into a personal account so Mr J might want to consider setting up an executor's account which could be done the same day in a branch.

- ID had said it would look into the possibility of sending a bank transfer, but if it were possible it would be subject to '*specific terms*'. A banker's draft might also be possible but that would also be subject to '*specific terms*'.
- Mr J had confirmed on 4 April 2024 that he didn't want an in-specie transfer and he wanted the holding liquidated as soon as possible. So ID had liquidated the holdings and began sending cheques.
- ID had offered to attempt a bank transfer for a fee of 0.05% but hadn't proceeded with that because Mr J had rejected the proposal. So it continued sending cheques. ID would revisit the possibility of a transfer if Mr J wanted to accept the fee of 0.05%. but it might introduce different terms.
- ID's payment limits weren't unreasonable. They were in place as part of ID's anti-money laundering framework and to protect clients and ID from fraud, theft and financial loss due to errors and system faults.
- ID could try depositing a cheque at the post office with a deposit slip for the executor account Mr J had set up.
- ID could try having its director sign or co-sign a larger cheque (between £50,000 and £200,000) but either the issuing or receiving bank might reject it. This option would incur costs for the director's time which would exceed the 0.05% charge ID had proposed for a CHAPS transfer, and the director wouldn't be available until the following week.
- ID would provide a final statement after all cash and holdings had been distributed. ID might charge a fee for that.
- Unless the estate agreed to an alternative payment method ID would continue sending cheques which was according to its procedures.

On 19 April 2024 Mr J took another screenshot from ID's website which showed the reference to CHAPS out payments had been removed. And a new note on the page said the services and prices displayed had been effective from 1 July 2023.

On 22 April 2024 the executors telephoned the bank that ID used. The bank said all its accounts had the facility to make electronic payments including by CHAPS and not doing so would be a choice rather than an inability to do so. Up to £50,000 could be paid remotely each day, and any amount could be paid by visiting a branch.

On 23 April 2024 Mr J wrote to ID asking it to continue paying cheques. The executors later explained to this service that they still wanted payment by CHAPS but knew ID wouldn't provide it and they thought insisting on it could cause ID to stop responding and withhold the remaining money in Mrs S's account. They said they also didn't want to agree to any of the other alternatives ID had suggested because that would vary the agreed terms and conditions and would incur additional fees.

On 16 May 2024 Mr J wrote to ID asking it to confirm whether a cheque it had sent on 10 May 2024 for an odd amount was the final cheque. And he asked for the information the representative had requested.

On 20 May 2024 ID emailed Mr J saying there would be one more payment for a smaller amount which included dividends received after the holdings had been sold. And it was possible there might be further dividends to be paid out. It said a final statement could be sent out after those dividends had been paid.

In total ID sent 62 cheques to the estate.

In June 2024 ID sent Mr J a closing statement for Mrs S's account which set out transactions that had taken place on the account.

Mr S wasn't satisfied. He referred his complaint to this service. In summary he said the following:

- ID caused unnecessary delay, risk and cost to the estate by refusing to pay money by CHAPS and paying out funds the way it did instead.
- ID's chosen method of payment cost the estate £25 per cheque and a total of £1,575 for 62 cheques and one CHAPS payment.
- After telling Mr S its account didn't have a CHAPS facility ID deleted CHAPS from the list of services its website said it provided.
- ID's bank confirmed all accounts with the bank had the facility to pay by CHAPS.
- ID sought to charge a fee not advertised in its terms and conditions by charging 0.05% of the value of the transfer even though its website said a CHAPS payment would be charged at £25.
- The account statements ID provided to the estate were inadequate including because they didn't show the amount of any interest that had been paid.
- ID had made communication difficult and sometimes impossible.
- Mr S wanted ID to reimburse the estate for costs unnecessarily incurred and for the loss of interest suffered due to delays by ID and the unfairly low interest ID said it paid on cash holdings.
- Mr S wanted this service to direct ID to improve its services for the benefit of its existing and future clients in line with its regulatory obligations.

One of our investigators looked into Mr S's complaint. As part of the investigation he asked ID for information. ID didn't provide anything in response.

Having considered the available evidence the investigator thought at first the complaint ought not be upheld. But after considering further comments from Mr S he thought it ought to be partly upheld. In summary he based his view on the following points:

- The investigator thought it likely that ID could no longer offer CHAPS payments and it made the £1,000 CHAPS payment in error. And he thought it likely that ID had changed its terms on 1 July 2023 but failed to update its website. This was a mistake by ID. But even if ID had made clear at the time that its terms didn't include offering

CHAPS payments and that ID could only send funds by cheque, it's likely the estate would've proceeded anyway. That was because the only other option was an in-specie transfer, which the estate said it didn't want.

- Mr S said ID failed to provide proper statements. The investigator recommended ID provide proper statements to the estate because the estate was entitled to them and they would be needed for the administration of the estate.
- ID had failed to follow its complaints procedure by not replying to this complaint. But no compensation could be awarded in respect of that.
- Under the rules that govern our handling of complaints, this service can make an award for distress and inconvenience to an eligible complainant only – and not to a representative. In this case the complaint was made on behalf of the estate. Mr S and his fellow executor were representatives of the estate, but not eligible complainants in their own right. So this service couldn't award compensation in relation to any distress and inconvenience suffered by Mr S (or any other executor).

Mr S didn't agree with the investigator's view. Because no agreement could be reached, the complaint was passed to me to review afresh and make a decision.

I issued a first provisional decision in which I said I was minded to uphold the complaint. I provisionally found that ID had acted in contradiction to its terms and conditions and then changed the terms and conditions afterwards. Without any information from ID I wasn't satisfied I could conclude it had updated its terms and conditions but neglected to update its website. That was because the information on the website itself constituted the terms and conditions for the services and fees ID was offering. And the information available to me didn't show that ID had put any transfer limits in place that would give it a basis to refuse the transfer that the executors requested. So I didn't think ID had acted fairly or reasonably by refusing to make a CHAPS payment from £25 or by imposing a limit that hadn't previously been communicated. I also said that in the absence of any information from ID about what statements it sent to the estate, I had no basis to doubt what the estate had said about not having received statements so I provisionally concluded that ID failed to provide important information to the estate.

The estate of Mrs S accepted my provisional decision. ID didn't agree. Amongst other things ID said the following:

- ID had always imposed payments limits. In the past, when ID used paper forms for transfer requests, the payment limit for an electronic transfer was £100,000. After ID ceased using the paper form and required transfer requests to be made via an online form, the limit for electronic transfers was £5,000.
- The description of ID's tariffs didn't impose a requirement to send unlimited payments. It described the price per payment.
- Mrs S and Mr J knew about ID's limits to electronic payments and had in the past requested transfers from ID subject to those limits.

ID provided a copies of several withdrawal request forms that had been completed by Mr J in 2019 and earlier in respect of his own account with ID. And it provided a copy of an email it sent him in 2022 which said the following:

'Please note the iDealing Withdrawal Form is no longer in use. To withdraw funds from your iDealing account, please submit an online withdrawal request. To do so,

please go to the 'Administer Account' tab and click on 'Withdraw Funds' ... You'll be able to enter your withdrawal request there. Maximum £5,000 per day per account for an electronic payment to your bank account' or £50,000 per day by cheque.'

ID also said it had sent the estate tax vouchers and full and detailed closing statements.

I then issued a second provisional decision in which I said I was now minded not to uphold the complaint. I provisionally found that ID had put in place transfer limits which had been communicated to Mrs S and Mr J in the past, and so I didn't think ID was obligated to provide the electronic transfer in the way the executors had requested. And I provisionally found that ID had provided final statements to the estate of Mrs S and so I wasn't minded to uphold the complaint on that basis either.

The estate of Mrs S disagreed with my second provisional decision. In summary it said the following:

- The estate hadn't received any further information from ID since my first provisional decision so it wasn't correct to say ID had now provided sufficient information and the statements provided failed to properly account for interest.
- It was likely that Mr J didn't recall ID telling him about payment limits because the limits weren't material to him at the time. And Mr S who was also an executor had been unable to discover ID's payment limits because they weren't published in ID's terms and conditions or on its website.
- This service should investigate whether ID had provided information about Mr J to this service in breach of information privacy rules.

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 the complaint. I'll explain why.

The purpose of this decision is to set out my findings on what's fair and reasonable, and explain my reasons for reaching those findings, not to offer a point-by-point response to every submission made by the parties to the complaint. And so, while I've considered all the submissions by both parties, I've focussed here on the points I believe to be key to my decision on what's fair and reasonable in the circumstances.

Having looked at ID's terms and conditions and the historical information on its website about '*services and prices*' I agree that, at the time the executors sought to have Mrs S's assets paid out, the website indicated that CHAPS payments would incur a fee of £25. And it wasn't until after the executors requested the payout that ID updated the website to remove the reference to CHAPS.

However, the pricing information on ID's website was silent on the topic of transfer limits. And in light of what ID said about its transfer request process, and the fact Mr J was told about ID's transfer process and its limits, I can't reasonably say the information on the website means ID ought to have transferred the funds from Mrs S's account in a single CHAPS transfer for a fee of £25. The email ID provided from 2022 shows that, well before Mrs S passed away, ID had told Mr J that its limit for electronic transfers was £5,000 per day. And it said that limit was specified on its online form. When dealing with the executors of Mrs S's estate it wasn't unreasonable for ID to apply the same transfer limits that it applied

to Mrs S's account before her death. So, irrespective of the mention of a £25 fee for CHAPS on the ID website, and irrespective of whether ID's bank made it possible for ID to make CHAPS transfers, I don't find that ID was obligated to transfer Mrs S's money in the way the executors requested.

I understand Mr J might not have recalled anything about ID's payment limits, and Mr S couldn't find information about it online or ID's terms and conditions. But that doesn't mean ID hadn't communicated the payment limits or that it wasn't entitled to apply them.

In addition to complaining about the way ID paid money from Mrs S's account, the estate said ID hadn't sent the information it requested about activity on the account in the period following the death of Mrs S. I saw that ID told the executors it would provide closing statements after the account had been finalised. And ID has now told this service that it's provided closing statements and tax information to the estate. The executors pointed out that the estate hasn't received any further information from ID since I issued my first provisional decision. But ID has since told this service that the information it had provided it's provided constituted the closing statements and tax information. And on balance I'm satisfied it's provided final statements. The subject of ID's interest rate was raised by the estate as a factor that compounded the impact on the estate of ID not paying out the estate's money in the way it requested. Any dispute about the interest rate itself or non-payment of interest is beyond the scope of the complaint I've considered.

The estate has also questioned whether ID breached data protection rules by providing this service with correspondence it had exchanged Mr J. It's not within the scope of this complaint for me to make a decision about ID's handling of information about Mr J. But I will note that the information this service received was relevant to my decision, and it was for the purpose of investigating and resolving the estate's complaint. This service is subject to data protection rules, and how we handle personal information is set out in our published privacy notice.

I'm sorry if my decision disappoints the executors. I can understand they're likely to be frustrated by the time taken to receive evidence and reach a conclusion on their complaint. But based on the evidence, including the information that became available to me in the course of considering this complaint, I can't reasonably say ID acted unfairly in the circumstances of the complaint. So I'm not requiring ID to take any action.

My final decision

For the reasons I've set out above, my final decision is that I don't uphold this complaint.

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 23 December 2025.

Lucinda Puls
Ombudsman