

The complaint

The estate of Mrs T is unhappy with Skipton Building Society's (Skipton's) requirement for a Certificate of Confirmation to release funds from Mrs T's ISA. They think that Skipton should have made them aware of this requirement sooner.

Mr T (Mrs T's husband) has brought the complaint to us on behalf of the estate. As he's mostly handled the communication, I'll be referring to Mr T throughout my decision.

What happened

In January 2023, Mr and Mrs T were made aware of a Legacy ISA offered by Skipton that would transfer Additional Permitted Subscriptions (APS) if Mrs T passed away. Mr T interacted with Skipton multiple times in 2023 and was told he wouldn't need to take any action on the Legacy ISA until his wife had passed away.

Unfortunately, Mrs T died in November 2023. Mr T visited Skipton's branch in December 2023 to register her death and set up the Legacy ISA. He was made aware that a Certificate of Confirmation (CoC) would be required to close Mrs T's ISA – this was confirmed by letter shortly after as the account balance was over the £30,000 threshold. Mr T obtained the CoC via his solicitor for a total cost of £3,379.22 and provided it to Skipton. The funds were released from the account in March 2024.

Mr T complained to Skipton in September 2024 as obtaining the CoC led to significant costs, and they should have been made aware of the requirement sooner. He explained that it was only being requested by Skipton and he didn't think it was reasonable. Skipton responded to the complaint – issuing three final response letters. Some errors and delays took place during the process, and they offered a total of £400 compensation for the handling of the complaint. But they ultimately didn't think that they made an error in not explaining the requirements for closing Mrs T's account at an earlier stage.

Unhappy with this response, Mr T referred the complaint to our Service. He didn't agree with Skipton's response and with the way the complaint had been handled, and he wanted the costs of obtaining the CoC to be reimbursed. Our Investigator reviewed the complaint and explained that it was reasonable for Skipton to request the CoC, they didn't think the bank were required to give legal advice or advice about someone else's account during branch visits, and that we can't award for his distress and inconvenience as Mr T was a representative.

Mr T remained unhappy as he thought that Skipton's bereavement guide should have been provided to him and his wife before she passed away, as the guide sets out the documents required in order to withdraw funds from her account. He's explained that they were organising her estate at the time so that the money would pass to him as smoothly as possible and if they were made aware of this requirement, they would have closed the ISA and put the funds in a joint account. As such, the complaint has been passed to me for a final decision.

After the complaint was passed to me, Mr T raised issue with our inability to award compensation to representatives, he thought the complaint should be set up with him as the complainant.

I've explained to Mr T that the complaint arises from Skipton's request for specific documents to close the late Mrs T's sole ISA account, and she would be the only party eligible to complain about this. He's provided the documents to show that he's able to represent the estate of Mrs T, so he's bringing the complaint to us on the estate's behalf. I've considered this in detail and explained to Mr T that we could only consider the impact any errors may have had on the estate of the late Mrs T and not on him as an individual as he isn't an eligible complainant under our 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.

I offer my condolences to Mr T and appreciate that he feels strongly that Skipton has made an error. While I may not comment on everything that's been raised, I've still taken it on board. I'll be commenting on the points that I think are key to reaching a fair outcome.

The Certificate of Confirmation requirement

This aspect of the complaint has been covered in detail by the Investigator and neither party disputes the facts. As I agree with the Investigator, I won't address this in full detail.

Ultimately, our service is unable to change Skipton's processes, and I don't think they've acted unreasonably by requesting legal documents to release funds from the late Mrs T's account as her balance was well over the £30,000 threshold. This threshold looks to be in line with the Scottish rules on estate sizes.

Should Skipton have provided more information at an earlier stage?

As a building society, Skipton aren't required to provide estate planning or financial advice to their customers, so it wouldn't be reasonable for me to suggest that they should have advised the late Mrs T to take steps to avoid a future CoC. I also can't say that it would be reasonable for them to disclose information about the late Mrs T's account and balances to Mr T without suitable authority – I've seen nothing to suggest that Mr T had this authority.

Mr T has obtained a Bereavement guide from Skipton which was available throughout 2023, it includes information about the documents required to close accounts in the event of a bereavement. So, while I can't say that direct advice would have been reasonable, I have considered whether this guide should have been provided at an earlier stage as it would have made Mr and Mrs T aware that a CoC would have been required.

Skipton has explained that their process is to provide the Bereavement guide when an account holder has passed away or if it's specifically requested by a customer. I can see why this process is in place, as providing this guide before it's required would likely cause offence to some customers – particularly as it involves such a sensitive matter.

Taking the above into account, I've reviewed the relevant interactions Mr and Mrs T had with Skipton and the available information to support what was discussed during these interactions.

Branch and email interactions

Based on what I've seen, I can see that there were three relevant branch visits prior to Mrs T passing away during 2023 - January, July and November. As these conversations took place in person, I'm unable to know exactly what was discussed, so I've relied on the contact notes provided by Skipton and the testimony provided by Mr T.

A branch appointment took place in January 2023 where Mr T discussed some needs for his own accounts, but also his interest in APS and the Legacy ISA offered by Skipton. He also confirmed that he and his wife were both fit and healthy so the legacy ISA wouldn't be required yet, but he wanted to review information about the account in his own time.

Following the branch visit in January 2023, I can see that Mr T asked Skipton via email whether he needed to take action on the Legacy ISA until 'the situation arises'. Skipton responded confirming that he wouldn't need to take any action. The notes show that Mr T visited the branch again in mid-July 2023 to deposit funds into the ISA, I can't see any evidence to suggest that the Legacy ISA or Mrs T's health was discussed.

Another visit took place in early November 2023 which involved Mr T making some deposits and withdrawals for his own ISA. But he said that he also told the branch that his wife was unfortunately terminally ill and that he asked about the Legacy ISA procedure. Again, he was told that nothing would need to be done until she passes away. While the evidence from Skipton doesn't show that the branch were notified of this, I don't dispute what Mr T has said as I can see that he and his wife were focused on getting their finances in order.

One clear point to consider is that the branch interactions took place when Mr T was carrying out activities on his sole accounts and Skipton wouldn't be able to share information about Mrs T's account without suitable authority.

I can see that in multiple interactions it's likely that Mr T asked about the process for opening a Legacy ISA, which is an account that would be opened in his name for the benefit of transferring the late Mrs T's ISA allowance to him. The opening of this account doesn't require a CoC as the account is solely for him and this would be opened once a customer has passed away. As such, I don't think discussions about this Legacy ISA should have prompted Skipton to talk about the process for closing Mrs T's account, particularly if she wasn't present, as this is a separate matter.

I can also see that during the November 2023 interaction, it's likely that Mr T advised the branch of his wife's ill health for the first time. I'm unable to know how much detail would have been shared on the matter, but I think it's reasonable for Skipton to be hesitant to share the bereavement guide before they've been notified that a customer has passed away. As such, I can't reasonably say that the bereavement guide should have been provided at this stage.

The opening of an account for Mr T and the closing of another person's account are separate things. While I appreciate that Mr T feels differently, I don't think it was unreasonable of Skipton to not have provided the Bereavement guide prior to the late Mrs T passing away. This is because I don't think the questions to Skipton about the opening of an account to transfer ISA allowances should have prompted them to provide a guide about registering a bereavement and closing Mrs T's accounts. And while I can see that Mrs T's health was discussed prior to her passing, I think it's reasonable for Skipton to be reluctant to provide this guide until the appropriate event takes place, or a specific request for information about their bereavement processes is made.

Mr T's said that he and Mrs T would have withdrawn the funds from the ISA had they known about the CoC requirement sooner, however, this would mean that the funds would lose their tax-free benefit. Which also means that the needs for APS and the Legacy ISA wouldn't be necessary. Mr T has given the impression that this would have been a simple decision for them to make, but I have to consider the benefit of hindsight. Losing the tax-free benefit on a large amount of funds can have a long-term impact, which can easily outweigh the cost of obtaining a CoC. So, I think it's unlikely that this decision would have been as simple as has been suggested.

Compensation

Again, this aspect of the complaint has been covered in detail by the Investigator and neither party disputes the facts. As I agree with the Investigator, I won't address this in full.

I can see that Skipton has acknowledged errors and delays in the way the complaint was handled and Mr T wants increased compensation for this. As set out by the Investigator, our service can only award compensation to the eligible complainant – which is the estate of Mrs T. Mr T has been able to bring this complaint to our service as he's the executor for the estate, but I'm unable to award compensation for the impact that any events have had on him personally.

I appreciate that this will be disappointing news for Mr T, and I can imagine that having to go through steps to obtain a CoC shortly after Mrs T's passing would have been difficult for him. But I don't think Skipton have made an error by not providing information about the requirements for closing Mrs T's account sooner. And based on our rules, I can't say that the compensation offered by Skipton for the way they handled things is unreasonable.

My final decision

My final decision is that I don't uphold this complaint. Skipton Building Society has offered the Estate of Mrs T £400, so they should pay this if Mr T (on behalf of the Estate) decides to accept the outcome.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs T to accept or reject my decision before 2 January 2026.

Chris Lowe
Ombudsman