

The complaint

Mrs M on behalf of the executors of the late Mrs E's estate complains about the service received by Clydesdale Bank Plc trading as Virgin Money ("VM") when dealing with the administration of Mrs E's accounts held with it. In particular, Mrs M believes VM has shortchanged Mrs E's estate by failing to pay out the balance of a term deposit as per the probate valuation initially quoted.

What happened

Mrs E died appointing Mrs M and another to be the executors of her estate. The late Mrs E held five accounts including two term deposits with VM. VM in its letter dated 4 January 2024 provided a probate valuation for Mrs E accounts including a valuation of £167,827.20 for the term deposit ending 0861.

On 7 May 2024 VM paid out £66,919.38 for all the accounts Mrs E held with it. Mrs M says she received this payment without any prior notification that this was coming or a breakdown of how this figure was made up.

Being much less than was expected and quoted Mrs M raised a complaint with VM about this. VM responded informing Mrs M that it had been unable to get in contact with her and so it had completed its investigation on the information it had.

VM confirmed that the balance quoted originally was incorrect and says a letter advising of this error had been sent out with evidence of the accurate balance (£22,765.25) but Mrs M denies ever receiving this letter and when this was provided on 22 June 2024 it was undated.

Being unsatisfied with VM's response Mrs M brought her complaint to this service. Mrs M says not only have VM failed to pay out the correct amount and provided inconsistent explanations as to what caused the error, it also wrongly stated that Mrs E held three accounts with it rather than five and failed to send out an additional letter of apology as stated. Mrs M says an apology for all the errors VM made is unacceptable and believes VM's behaviour to be deceptive and wants VM to be held responsible for this.

One of our investigator's looked into the concerns raised by Mrs M. They explained that as a service we aren't able to make an award or consider compensation for the impact or any distress caused to Mrs M and the other executor personally as they are not the account holders and so we would only be considering whether there has been a financial impact to Mrs E's estate as a result of any errors made by VM. And having done so they agreed VM had made errors but believed on the evidence that the correct amount from Mrs E's accounts had been paid out and so there wasn't anything more for VM to do.

Mrs M remains dissatisfied. She says VM claim to have sent letters and tried contacting her when it hadn't, provided incorrect figures for balances and missed accounts and deposited £66,919.38 into her account and failed to notify her that it was making this payment or provide a breakdown of what this was made up of. Mrs M says she has seen no credible

evidence that the original sum quoted to her was incorrect and has asked for an ombudsman's decision on the matter.

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 hope that Mrs M won't take it as a discourtesy that I've condensed this complaint in the way that I have, I've no doubt about the amount of distress and inconvenience Mrs M and her co-executor have suffered personally due to this matter. This complaint is regarding the administration of the late Mrs E's accounts held with VM and its error in incorrectly stating the balance or failing to pay out the correct amount of one of these accounts and the communications regarding this.

Although I sympathise with Mrs M, as our investigator has already explained, I cannot look at compensating her for any distress and inconvenience she has suffered personally as she is not the customer or the account holder in this event – Mrs E's estate is.

There is no dispute that VM made a serious and most unfortunate mistake and provided a probate valuation that didn't equate to the figure paid out, failed to identify all Mrs E's accounts, and that overall VM's customer service has been poor. Where a business accepts (or we decide) it did something wrong, we'd expect the business to put the consumer – Mrs E's estate - in the position it would be in if that wrong hadn't taken place and we may award compensation that we think is fair and reasonable.

In this case I'm satisfied the main error VM made was in relation to the probate valuation provided on Mrs E's term deposit account ending 0861 in its letter dated 4 January 2024 rather than that VM paid out an incorrect amount.

I say this as from the internal screenshots and valuations provided by VM I can see that Mrs E's terms deposit was opened in 2010 with a balance of £17,500 and up until its closure there doesn't appear to be any large enough credits that would increase the value to anything close to £167,827.20. I appreciate that Mrs M doesn't believe she's seen any substantive evidence to prove Mrs E didn't hold the funds as quoted, but neither is there any evidence she did. And so I think it is more likely that the figure quoted was incorrect from the outset due to human error than VM losing or withholding a significant amount of money.

And so as Mrs M has been paid out what I think are likely all the proceeds of the late Mrs E's accounts held with VM I consider the estate to be in the position it should be in.

I accept that this whole process has been very distressing and undoubtedly caused significant inconvenience to the executors. But as I've already explained above this complaint has been brought on behalf of Mrs E's estate - who is the eligible complainant here and one that can't feel emotional distress.

So when considering compensation, I can only look at the any direct financial loss resulting from any errors VM have made and I can't look at any distress and inconvenience Mrs M or the other executor has suffered personally. And as I've not seen any evidence that Mrs E's estate has suffered any direct financial loss as a result of VM's errors, I don't think any compensation is due.

I appreciate Mrs M says this shouldn't have happened and she wants answers. But we are not the regulator, I don't have the power to tell VM how it needs to run its business or to investigate VM's practices. And my role isn't to punish or penalise businesses for their

performance or behaviour – that's the role of the regulator, in this case the Financial Conduct Authority (FCA).

So on this basis – and I know this will come as a disappointment – although VM have made some errors, as there has been no financial loss and Mrs E's estate is in the position it should be in, I don't think there is anything more VM should do to resolve the matter.

My final decision

For the reasons I've explained I do not think there is anything more for Clydesdale Bank Plc to do to settle Mrs M's complaint brought on behalf of the estate of Mrs E.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs E to accept or reject my decision before 9 September 2025.

Caroline Davies
Ombudsman