

complaint

Mrs G's complaint is about investments held in her husband's name with Investment Funds Direct Limited ('IFDL'). After Mr G died Mrs G became the executor of his estate. Mrs G asked IFDL to transfer some investments to a new firm ('firm 2') and to encash other investments. Mrs G's complaint is that the transfer and encashment took too long and caused a loss.

background

Mrs G's son – also called Mr G - is helping her with the complaint. For simplicity I will just refer to Mrs G throughout although sometimes it was Mr G acting on his mother's behalf rather than Mrs G herself who sent emails etc. From now on when I refer to Mr G, I mean Mr G senior.

Mr G had an independent financial adviser to give him advice. He held some investments in something called a Succession Account held on the Succession Investment Platform. This was an account with a funds supermarket – an account in which different investment funds could be held. The account was with IFDL. In September Mrs G asked the IFA a number of questions about the Succession Account. The IFA answered the questions and told Mrs G that "*Succession*" would "*require sight of the original Grant of Probate*".

On 18 March 2016 firm 2 sent a transfer request to IFDL direct. The request was sent in the name of Mrs G's family trust. The request asked for funds held in the account for Mr G to be transferred as stock, and gave details of three funds which should be transferred as cash.

IFDL didn't act on these instructions. Mrs G says that caused a loss as the value of the funds which had to be encashed had gone down by the time they were sold in May.

The complaint was considered by one of our adjudicators. He didn't think it should be upheld. In summary he said:

- IFDL was entitled to verify the identity of the executors of Mr G's estate and it didn't receive an original Grant of Probate until 1 April 2016.
- After the Grant of Probate was received, the transfer process had to be restarted and the business was entitled to ask for information about the registration details of all the funds involved and to check which funds were to be transferred and which needed to be cashed in. He noted that the business was given new instructions that four not three funds were to be encashed.
- He didn't consider the fact that the four funds were sold between 3 and 6 May 2016 to be unreasonable in the circumstances. FDL had accepted there was a delay between the final settlement dated and when it sent the proceeds to firm 2. But he thought that by crediting interest in recognition of the delay, the business had acted fairly.

Mrs G doesn't agree. She says IFDL lied in its answer to the complaint when it said the trust had been better off by the funds being sold in May. She also says Mr G's IFA knew about Mr G's death and it was involved in this was matter. She says Succession Advisory Services Limited owns the IFA.

Mrs G says a Grant of Probate had been sent to firm 2 and she's sure this had been sent on to IFDL. Also it was sent to the IFA as it dealt with the transfer of Mr G's pension money to her. So she does not accept that IFDL did not have the Grant of Probate until 1 April 2016 as it says. And in any event, she thinks there was an unacceptable delay between the date the business got the Grant of Probate and the sale of the four funds.

Mrs G also said she did not understand the distinctions between the various firms involved and it is unreasonable to expect an ordinary consumer to have to deal with three firms – especially when they are all related.

my findings

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 agree with the adjudicator.

IFDL runs the Succession Account from which the funds were transferred or sold. The complaint is about delays in that process. And about the way the complaint about that was dealt with. Those are complaints against IFDL and it has answered them.

It's unfortunate that IFDL made an error when it first answered the complaint but I can't see that it was deliberate lie rather than an error. Mrs G may not believe that, but I do find it improbable that IFDL would deliberately lie about that point when a lie could be so easily discovered.

Next, while I understand it can seem frustrating when companies in the same group act independently but it is normally the case. I have seen no evidence that IFDL – rather than any of the other parties – received the original Grant of Probate before 1 April 2016. The fact that firm 2 and the IFA had the Grant of Probate before doesn't mean IFDL did also.

When IFDL first received the incomplete instructions it returned the paperwork to firm 2. This isn't unusual. And the process after the Grant of Probate was received was not unreasonable.

There was some further delay in paying over the sale proceeds. IFDL has acknowledged this, apologised and provided reasonable redress. I agree with the adjudicator that no further action is required from IFDL.

With regards to the handling of the complaint, IFDL wouldn't answer the complaint until it was established that Mrs G had authorised her son to act on her behalf. I can see this was frustrating and annoying but I cannot see that this was inappropriate or unreasonable. Or that IFDL was unclear about what was required. It is, of course, possible to say that IFDL could have done things differently, or even more efficiently, but I note that it offered to discuss its requirements of the phone but the offer wasn't taken up. On balance I don't consider that IFDL acted unfairly or unreasonably.

my final decision

I do not uphold Mrs G's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 28 December 2016.

Philip Roberts
ombudsman