

complaint

The Estate of the late Mrs S complains about the way that Bank of Scotland plc (trading as Halifax) has dealt with her accounts. It's being represented in this complaint by one of the executors of the Estate – and the executor is being helped with it by a representative.

background

Mrs S passed away in October 2002 and her estate was wound up by her solicitor in 2003. Halifax contacted one of the executors of the Estate in May 2018 because “... *the estate has not been completed through to closure*”. The executors agreed that one complaint would be made about the direct financial loss that had been caused (which was settled in July 2018) and this complaint would be made about other issues and losses (for which £600 compensation was claimed - which was later increased to £900). Halifax initially offered £200 compensation which was then increased to £450, £500 and finally £700. The Estate didn't accept that offer and complained to this service because it said that Halifax had taken too much time to address its complaint satisfactorily and hadn't shown that no other money was owed to the Estate.

The investigator didn't recommend that this complaint should be upheld. She said that Halifax could've handled the Estate's concerns better but it had apologised and had made a final offer of £700 which she thought was a fair amount. And she said that Halifax had answered some of the Estate's queries but it still wanted clarification on what happened to an ISA account. Given the amount of time that had passed she didn't think that it was unreasonable that Halifax was unable to provide the evidence of who were the payees of the cheques from that account.

The Estate's representative – on behalf of the Estate - has asked for this complaint to be considered by an ombudsman. He has responded to the investigator's recommendation in detail and says, in summary, that two areas should be given particular attention:

- the timeliness with which Halifax dealt with the balance left sitting in the 60 day gold account, once it had decided in September 2011 to close the account, and transfer the balance somewhere else within Halifax – and the timeliness with which it handled requests for accounting information; and
- the fact that the bank statement for that account doesn't reconcile with the Estate accounts which were provided by the Estate's solicitor.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. We offer an informal dispute resolution service. We try to resolve complaints by customers about financial businesses by looking at what we consider to be fair and reasonable in the circumstances. We have no regulatory or disciplinary role over those businesses and our role isn't to punish a business if it's done something wrong.

Mrs S passed away in October 2002 and her estate was wound up by her solicitor in 2003. But an outstanding balance of £5.26 was left on a 60 day gold account which was held in the name of the personal representatives of the late Mrs S (care of the Estate's solicitors). An interest payment of £387.96 was credited to the account in February 2004 and in September 2011 the outstanding balance of the account was £327.19 which was transferred and the account closed.

Halifax identified that the £327.19 hadn't been paid to the Estate so it contacted an executor of the Estate in May 2018. That amount plus compensation was paid as a settlement with the Estate in July 2018. But the Estate says that that settlement related only to the direct financial loss that had been caused and that this complaint was being made about other issues and losses.

I sympathise with the executors (and others involved) for the distress and inconvenience that they've been caused as a result of having to deal with these issues. And I find that Halifax hasn't dealt with them as well as it should've done. It hasn't been able to explain what happened when the account was closed in September 2011 or why there was a delay of six and a half years before it contacted the executors about that account. And it hasn't responded to requests for information as quickly as I consider that it should've done. But it's paid the money that was due to the Estate and has paid compensation for at least some of the issues arising from the delay.

In a final response letter it offered to pay further compensation of £700 and said:

"... we would like to apologise for the slow and poor handling of the complaints raised It has never been our intention to cause offence or bring back memories from a difficult time in your life. For this we do take responsibility and offer our most sincere apology to you and your family".

But the Estate's representative then raised concerns about the way that the late Mrs S's ISA account had been dealt with. Halifax said that the account was closed in March 2003 and two cheques were drawn at the time of closure - one for £2,000 and the other for £5,839.45 – and the remaining balance of £14,752.28 was transferred to another account which was included in the winding-up of the Estate. But it says that it no longer has any details of the payees of the cheques. I'm not persuaded that it would be fair or reasonable to expect Halifax to now be able to produce those records from 2003.

The Estate's representative says that Halifax's delay in dealing with the 60 day gold account has meant that he's no longer able to obtain information from the solicitor who dealt with the winding-up because he's since stopped trading. But I'm not persuaded that there's enough evidence to show that Halifax has dealt with that account incorrectly.

I consider that Halifax's offer to pay £700 compensation is generous – and it's a higher amount of compensation that I would've awarded in these circumstances. So I find that it wouldn't be fair or reasonable for me to require Halifax to pay a higher amount of compensation than the £700 that it's already offered – or to take any other action in response to this complaint.

my final decision

For these reasons, my decision is that Bank of Scotland plc, trading as Halifax, should pay to the executors, on behalf of the Estate of the late Mrs S, the £700 compensation that it's already offered to pay.

Under the rules of the Financial Ombudsman Service, I'm required to ask an executor of the Estate to accept or reject my decision before 26 October 2019.

Jarrold Hastings

ombudsman