

complaint

The executors of the estate of Mrs M complain that they are unhappy with the service they received from National Westminster Bank Plc, which included freezing the account without notification and failure to rectify the problems.

background

In August 2012 an executors account was opened to administer the estate of Mrs M. NatWest has accepted that it made numerous mistakes in relation to this account. The bank agrees that when it blocked the account, although for data protection reasons it could not explain why it had taken this action, it should have kept all three executors informed of the block. It should have informed all three executors when the account was sent to collections. NatWest also agrees that when the executors complained, it did not respond to their concerns as it should have done. When the bank finally explained that the issue could be resolved by one of the three executors being removed from the account, it failed to respond quickly enough when this request was properly made. Despite that request being made on 21 November 2014, the account was not reactivated until 7 January 2015.

NatWest made some offers of compensation, but after this service was involved, increased those offers to a total of £810, to reflect compensation of £270 to each of the three executors.

The adjudicator was satisfied that the offer made by the bank was reasonable and recommended this should be accepted in final settlement of the complaint.

The executors of Mrs M's estate do not agree. They say the offered compensation does not properly reflect the humiliation caused to the executor who had to be removed from the account and the distress caused to all three by the delay in rectifying the situation.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I am satisfied that the bank acted reasonably when it blocked the account and that for data protection reasons it was not able to inform all executors of the reasons for this. However, NatWest has agreed that its failings following this decision were not reasonable and caused upset to all three executors. It took over six months for the situation to be resolved. NatWest accepts that if it had informed the executors promptly of the action it had taken and the necessary steps to rectify this, much unnecessary work and distress could have been avoided.

I appreciate the executors' view that total compensation of £810 is wholly inadequate. I understand their frustration with the amount of time and effort this took, at a very distressing time in their lives. But I consider it is fair and reasonable, when taken together with the fact that NatWest has apologised and in January 2015 took the necessary steps to put things right. This service does not have the power to punish NatWest. I am satisfied that the compensation the bank has offered fairly and reasonably addresses the complaint.

my final decision

My decision is that National Westminster Bank Plc should pay total compensation of £810, to be split equally between the three executors.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms X, Ms Y and Ms Z to accept or reject my decision before 15 February 2016.

Charlotte Holland
ombudsman