

The complaint

The estate of Mrs W complains that RBS Collective Investment Funds Limited ("RBS") delayed the transfer of the late Mrs W's ISA.

The complaint is brought on the estate's behalf by the joint executors - a family member and a solicitor. The family member, who I'll refer to as Mrs H, has been the main point of contact with this service and, for ease, I'll refer to everything as if it's been said by her.

Mrs H says she wants RBS to apologise, to pay her £1,500 for the distress and inconvenience she's been caused, and to pay the additional solicitor's costs that have been incurred.

What happened

Mrs W passed away in December 2019. She had an ISA and an OEIC with RBS. In August 2020, RBS received the grant of probate and a stock transfer form to transfer the shares held in the ISA. RBS said the stock transfer form wasn't signed by all parties, it hadn't received completed transfer paperwork for the OEIC, and it needed documentation from the solicitor to fulfil its anti-money laundering obligations.

Mrs H made many phone calls to RBS to check on progress. She says there was a lack of clarity about what RBS needed, that it kept changing its requirements, that it was unhelpful and that it wasn't proactive.

RBS said there was a discrepancy in the postcode for the solicitor meaning some of its correspondence wasn't delivered. And, when it identified this, it failed to update the postcode until around nine months later. It paid Mrs H £150 as a gesture of goodwill.

After the complaint had been referred to this service, we obtained a breakdown of the solicitors' fees which were incurred in dealing with the paperwork of the transfer. RBS said fees would always have been incurred because the solicitors needed to complete the stock transfer forms and provide the anti-money laundering documents. But it accepted the delay may have resulted in additional costs and it offered to pay £600 towards the fees. It also offered to make a further payment to Mrs H of £100.

Following our investigator's involvement, the transfer was completed on 19 April 2023.

Our investigator concluded that RBS had caused some of the delay. But, because the solicitor hadn't charged its fees to the estate, he couldn't recommend they be reimbursed. He explained that this service could only award financial losses the estate had made as a result of the delayed transfer. And that we could only award compensation for distress and inconvenience to eligible complainants – in this case, the late Mrs W – and not to third parties, including Mrs H as executor of the estate. The investigator endorsed the offer made by RBS.

Mrs H asked for the complaint to be considered by an ombudsman. She said, in summary, that:

- The mistake with the postcode wasn't investigated, despite her many phone calls to RBS.
- RBS didn't communicate with the executors throughout 2020. Its lack of action delayed the transfer by years.
- RBS didn't accept correctly completed stock transfer forms and it's not clear why.
- She remains aggrieved by RBS's persistent mistakes and failure to remedy them.

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.

Firstly, I'm aware that I've summarised this complaint in far less detail than the parties and in my own words. There is a considerable amount of information here but I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

RBS received the grant of probate and a stock transfer form in August 2020. The stock transfer form hadn't been correctly completed, a second stock transfer form was needed for the OEIC, and RBS needed information and documents to verify the identity of the solicitors, to fulfil its anti-money laundering obligations. Whilst there were some complications with the identification and verification process, I don't find this should have unduly delayed the transfer. And I don't find any reason why it should have taken around 32 months for the transfer to be successfully completed. Had RBS corrected the postcode mistake when it was first identified, and if it had been more proactive in trying to progress the transfer, I find it could have been completed at a much earlier date.

RBS apologised to Mrs H in its final response to her complaint in March 2022. But it still took a further 13 months before the transfer was completed. So, despite Mrs H's complaint, and RBS's apology, it still failed to proactively progress the transfer. I'm pleased it's agreed to send a further letter of apology to Mrs H.

The investigator explained to Mrs H that this service can only award financial losses to the estate. I'm satisfied that the estate hasn't incurred a financial loss because of the delay. RBS has provided information to satisfy me that the value of the ISA and OEIC were higher when they were transferred than they were in August 2020 when the grant of probate was provided.

Mrs H wants RBS to reimburse the solicitors' fees. But the solicitor has not charged its fees to the estate, so there's no loss to be reimbursed.

I don't underestimate the frustration and upset the delayed transfer has caused Mrs H. She's told us about her personal circumstances and why the delay was particularly distressing for her. I'm not unsympathetic, but this service operates under a set of rules laid down by Parliament under the Financial Services and Markets Act 2000. I'm entirely bound by these rules, and I can't disregard them. As the investigator explained, we can only make awards for distress and inconvenience to eligible complainants. The eligible complainant in this case

is the late Mrs W. So I don't have the power to make an award for the distress and inconvenience Mrs H has been caused.

This means I can't uphold this complaint because I don't find the estate of Mrs W has made a financial loss and I can't award compensation for distress and inconvenience to the executors of the estate as they aren't the eligible complainants. However, I understand RBS has agreed to send Mrs H a letter of apology, to pay £600 towards the solicitors' fees, and to pay Mrs H £100, in addition to the £150 it's already paid, for the distress she's been caused. The executors will need to contact RBS direct if they want to accept its offer.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs W to accept or reject my decision before 31 July 2023.

Elizabeth Dawes
Ombudsman