

The complaint

Mrs J, representing the estate of her late husband Mr J has complained via a representative about delays in arranging the closure of Mr J's accounts with The Royal Bank of Scotland Plc ("RBS").

What happened

In July 2022 a representative of Mrs J wrote to RBS providing letters of administration and authorisation from Mrs J to close the late Mr J's accounts and transfer the funds to her. RBS requested a form to be filled in and sent a list of ID requirements.

After much back and forth, Mrs J was told that in order to close the accounts she would need to provide a certified copy of her passport. Mrs J did not have a passport.

A complaint was raised with RBS and RBS accepted that the customer service it had provided was not acceptable. But it restated that the only way the account could be closed was if the passport was provided.

Mrs J got a passport and sent a certified copy to RBS. RBS meanwhile closed the account before it received the passport. RBS accepts that this was done in error.

Mrs J brought her complaint to this service via a representative, where one of our investigators looked into it. Our investigator explained that this service can only consider the impact on an eligible complainant – which here is the estate of the late Mr J, rather than Mrs J as an individual. He said that this means that we can't ask RBS to pay compensation for the way it handled this matter.

Mrs J via her representative did not accept this and so wanted a final decision.

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 appreciate that matters will have been very difficult for Mrs J following her loss. I also recognise that these matters were made worse by the initial misinformation provided via telephone call from RBS and also that it released the funds prior to the certified copy of Mrs J's passport being received. But, I'm sorry to disappoint Mrs J here, as what our investigator said about the limits of our ability to help is correct.

The rules that apply to this service explain who is eligible to complain to this service. These rules are known as the DISP rules and are available online (or a copy can be provided on request).

The relevant section is DISP 2.7.6R. In the circumstances here, the eligible complainant is the late Mr J's estate, as it was Mr J who had a relevant relationship with RBS. So while Mrs J is entitled to represent Mr J's estate in bringing this complaint – we can only consider it in terms of the impact on the estate as an entity, separate to Mrs J.

We can't consider any complaint from Mrs J about the impact this situation had on her as an individual. She doesn't meet the test of holding a relevant relationship with RBS under the rules in order to be eligible to complain about this situation in her own right. Put simply, her ability to represent her late husband's estate doesn't mean that she can also complain about how this impacted on her as an individual.

I realise this will read somewhat coldly to Mrs J – but it's important to outline what the rules that apply to us mean we can and can't do. Here, the rules mean that I can't tell RBS to compensate Mrs J for any impact on her as an individual.

The aspect of this complaint I can consider is the impact on the late Mr J's estate. Everyone agrees that RBS made some mistakes here and didn't do what it should have in the right timeframes. It accepts that its service fell short here and I think that's clearly the case. But, in order for me to say that RBS should do something more here, I have to be satisfied that its failings had an impact on the estate itself.

But an estate can't 'feel' distress or be upset and so I can't compensate it for any emotional impact. And then when looking at any inconvenience caused here – it's clear that RBS took longer than it should have to close the accounts and transfer the money to Mrs J. But that is an impact on Mrs J, rather than Mr J's estate. Mrs J hasn't said anything, or provided any evidence of any impact to the estate itself apart from the account not earning any interest during the period in question. But had the issue been resolved more quickly the account would have been closed and Mrs J would have received interest not the estate so I can't say the delays cost the estate itself any money.

That means that even though I accept RBS made mistakes here, I can't ask it to pay compensation in the specific circumstances of this complaint.

My final decision

My final decision is that do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr J to accept or reject my decision before 22 September 2023.

Charlie Newton
Ombudsman