

The complaint

Mrs S, acting on behalf of the estate of Ms H, complains that The Royal Bank of Scotland Plc (RBS) hasn't provided the service it should have.

What happened

Mrs S is the executor to the estate of Ms H. Ms H had a bank account with RBS which needed to be administered to pay Ms H's debts and make payments to Ms H's beneficiaries. Mrs S returned to the UK to carry out her role as executor and completed a form in branch requesting the funds be sent to her UK account as she thought this would happen within a week. However, she then realised the funds wouldn't clear before her return overseas and so she returned to the bank to complete a second set of paperwork with her overseas account details. She says she was told her initial paperwork had been destroyed.

Mrs S returned overseas and uploaded various document to the Bereavement Service Portal and as there was no further contact from the bank, she chased this up by phone and online chat. Mrs S says she was then told the payment would be made within three days and she reiterated that this needed to go to her overseas account, and this was confirmed. But the money was then released to Mrs S's UK account. Mrs S says she cannot access her UK account without visiting the branch or having a letter sent to a UK address which isn't possible as she lives overseas. Mrs S says this issue has caused her a great deal of stress and inconvenience.

RBS issued a final response letter dated 8 December 2022. It accepted that it hadn't provided the service it should have, and it used the incorrect closure instruction and sent funds to Mrs S's UK account. It said this happened due to human error and it awarded Mrs S £250 compensation in recognition of the distress and inconvenience this matter caused her. It sent Mrs S a cheque for £300 to cover the compensation and any charges she may incur paying this into an overseas account. In regard to the funds, it said that as these had been released to Mrs S's UK account with another bank it wasn't able to move these back and that Mrs S would need to contact her UK bank to arrange for the money to be sent to her overseas account.

Our investigator didn't uphold this complaint. He noted that RBS had accepted the mistake that had been made. He explained that because the complainant in this case is the estate of Ms H, we couldn't award any compensation for distress and inconvenience as the estate, as a legal entity wasn't able to suffer distress and inconvenience. He noted the award made to Mrs S by RBS and said it would be reasonable that this is paid. Our investigator said while RBS had made a mistake the funds had been released to an open/active account in Mrs S's name and that these wouldn't be able to be recalled without the authority of the beneficiary account owner.

Mrs S didn't accept our investigator's view. She said the UK account wasn't fully active. It wasn't set up for internet banking and she couldn't access the funds. She said she contacted her UK bank and was told to access the funds she would need to have a letter sent to a UK address to setup internet banking. She said she couldn't return to the UK due to her commitments, but she needed to access the funds to ensure these were disbursed in a

timely manner. Mrs S says a family member visited the UK to get the letter – a trip that cost a lot of money and required the family member to take time off work. She responded to our investigator's comments about not awarding compensation to the estate and said her role as executor had caused a great deal of stress and upset. She said the cheque provided by RBS was returned by registered post in December 2022 because her overseas account wouldn't accept international cheques.

Our investigator responded to Mrs S's comments. He reiterated the situation regarding the award of compensation.

Mrs S said that she had incurred costs accessing the money from her UK account which were a direct result of the mistake made by RBS.

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 am sorry to hear of the upset and inconvenience Mrs S experienced in her role as the executor of Ms H's estate. I appreciate the pressure she will have felt to ensure she had access to the funds from the estate to pay any debts and to make the transfers to the beneficiaries.

Mrs S has explained that while she did initially complete the forms for a transfer to her UK account, due to the time that it would take to have the funds released she then completed new forms for the money to be released to her overseas account. She asked for the initial forms to be destroyed and was told this had happened. I requested copies of the calls that took place, but these haven't been able to be provided. That said, RBS has accepted that it made a mistake when it released the funds from the late Ms H's account to Mrs S's UK account rather than her overseas account.

When a mistake has been made, we would expect the bank to put the consumer back in the position they would have been had the mistake not been made. In this case RBS released the money from the late Ms H's account to Mrs S's UK account. This was an open account in Mrs S's name, and she did receive the money. Unfortunately, once the money had been released RBS wasn't able to recall these funds. Instead, Mrs S as the beneficiary needed to contact the bank that she had received the funds at.

Mrs S has explained that she didn't have internet banking on her UK account and the only way she could access the money was to go to the branch or receive a letter to a UK address to set up internet banking. Neither of these options were practical as Mrs S was overseas. Mrs S spent time trying to resolve this complaint which caused her stress and inconvenience.

While I do not underestimate the upset this issue caused Mrs S, this complaint is about the money transferred from the estate of Ms H. Therefore, the complainant in this case is the estate of Ms H. While Mrs S has brought the complaint as the executor of the estate, she isn't the complainant. We can only make awards to eligible complainants and so I cannot make an award of compensation to Mrs S as the executor for the upset and inconvenience she has incurred when representing the deceased. RBS did award compensation to Mrs S in the form of a cheque which she received. I would expect this compensation amount to be honoured by RBS and note Mrs S's comments about returning the cheque and her bank not accepting international cheques. As I am not able to consider compensation for Mrs S, I would suggest she speak to RBS directly about this if she wishes the compensation amount be paid in another form.

Overall, I find that RBS did accept the mistake that had been made and explained why it couldn't recall the money. The money was sent to Mrs S, but to the wrong account, and I can see this caused her stress and inconvenience but as Mrs S isn't the complainant in this case, I am not able to award her compensation because of this.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Ms H to accept or reject my decision before 30 October 2023.

Jane Archer
Ombudsman