

The complaint

Mrs T brings a complaint on behalf of the estate of her father, the late Mr S. She says that Lloyds Bank Plc has failed to provide a reasonable service after she notified it of Mr S having passed away, which has caused her both upset and inconvenience.

What happened

Mr S held an investment with Scottish Widows. He sadly passed away in early 2022. Mrs T submitted an online notification to Lloyds and received an acknowledgement letter the same day, dated 28 February 2022.

On 15 March 2022, Mrs T sent Lloyds a required death certificate for Mr S. However, she heard nothing further.

On 4 June 2022, she contacted Lloyds's bereavement department and explained nobody had contacted her. As a result, she raised a verbal complaint. She was given details for Scottish Widows to contact it directly (something Lloyds could not do) – but Mrs T says these were incorrect.

On 6 June 2022, Mrs T had to call Lloyds again to obtain the correct details for Scottish Widows. She then chased it again on 23 June 2022 for a response to her complaint.

On 11 July 2022, Mrs T called Lloyds again to formalise her complaint. She confirmed that her concern was that Lloyds failed to escalate notification to Mr S's death to other areas of the Lloyds Banking Group – and this caused her unnecessary stress. She was offered £174 compensation to close the matter, but she declined.

On 22 July 2022, Lloyds issued a written outcome to the complaint. It accepted that the process had failed because the late Mr S did not hold any active Lloyds products; so, it could not begin its internal processes, as these would usually involve linking correspondence to an active account. It had been able to work around this once Mrs T supplied a death certificate – but it appreciated this took longer than it should have.

Lloyds again offered Mrs T £150 for the upset she was caused as well as £24 towards call costs. It said if Mrs T wanted to accept that offer, she could contact it to arrange payment.

Mrs T refused the offer of compensation. Thereafter, she referred the complaint to our service. In the complaint form, Mrs T said that Lloyds had placed her under unnecessary emotional distress at what was already a hugely difficult time for her. She said that to resolve her complaint, she wanted Lloyds to provide a full and sincere apology. She also wanted it to give assurances that it has a bereavement service that is properly fit for purpose, so others could not be caused the same upset.

One of our investigators then reviewed the complaint. Though she believed that Lloyds's service failures contributed to delays, she said that she did not believe it should do anything further. She reached that conclusion because Lloyds had reasonably compensated Mrs T for the upset she had been caused, and she wasn't able to propose additional compensation to

Mrs T as a representative of the estate of the late Mr S.

Mrs T disagreed. She said that whilst she was the executor of her late father's estate, she was also his daughter and a person in her own right. In her view, her personal distress ought not to be taken lightly. Mrs T also noted that the offer of compensation made by Lloyds was merely to close the complaint down – and it had since been withdrawn. Mrs T felt Lloyds had failed her by consequence of its poor service standards.

Our investigator was not able to change her view on the complaint. Mrs T therefore asked for the matter to be referred for an ombudsman's decision.

Lloyds didn't make any additional comments. The complaint has now been passed to me.

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 thank the parties for their considerable patience whilst this matter has awaited referral for an ombudsman's decision.

I was sorry to learn that Mr S had passed away last year, and I send my condolences to Mrs T and her family. I do not wish to cause Mrs T any additional upset, but for the reasons I'll go on to explain, I cannot uphold her complaint or make any award to her.

It is clear that by submission of Mrs T's bereavement notification, she intended to settle the late Mr S's holdings with Scottish Widows. And though that business is part of the Lloyds Banking Group, she needed to liaise directly with Scottish Widows in order to do so.

It is also clear that Lloyds failed in its accepted standards when providing a bereavement service – as that clearly ought to include assisting Mrs T in clarifying that she needed to contact Scottish Widows directly. For that reason, it has offered her £150 compensation, plus a further £24 for the time taken by Mrs T to chase matters via telephone.

Mrs T remains unhappy with Lloyds – since the complaint has not been answered to her satisfaction. She believes further compensation, a commitment to improved services and an apology ought to be awarded by this service.

However, even if I were to agree that an additional payment of compensation or other direction was appropriate, I couldn't propose any payment of the upset caused to Mrs T directly. That is not to say I don't recognise how distressing the notification process was for her on behalf of her father, but I do not have a free hand to make an award of that type directly to Mrs T. I can see that this seems confusing to her, but our rules do not allow it. I'll explain why that is.

We are bound by the Dispute Resolution ('DISP') rules which apply to this service, as set out in the Financial Conduct Authority Handbook. An ombudsman is not able to avoid the rules or apply discretion to certain rules. Complaints that are made to this service must be pursued by an '*eligible complainant*' (for example, a consumer or a micro-enterprise) and those complaints must be about acts or omissions by businesses when carrying out certain '*regulated activities*' – in this case, administration of the investment held by the late Mr S.

A specific rule (DISP rule 2.7.2 R) allows a third party to bring a complaint on behalf of an eligible complainant (such as an investor) to this service, for example from an appointed representative or an executor of an estate for an eligible complainant that has since passed

away. That applies here as Mrs T is the executor of Mr S's estate. But that doesn't mean that she, as a representative, is an eligible complainant in their own right.

Though this service can make further awards for the distress a business has caused in relation to a complaint (DISP 3.7.2 R), and whilst a complaint can be made to this service by a representative on behalf of the eligible complainant (or the estate of a complainant that has passed away), that does not confer the right to receive a money award to the representative. Consequently, I cannot make an award for distress or trouble caused to Mrs T as a representative for the late Mr S. I know that does not change how upset Mrs T feels – but our rules do not permit me to award compensation to a representative in the circumstances.

In its submission to this service, Lloyds told us that its offer of £174 remains open to Mrs T, should she decide to accept it. I therefore leave Mrs T to contact Lloyds about that, should she wish to reconsider her rejection of the offer.

My final decision

I realise my decision will be disappointing for Mrs T. But for the reasons given, I cannot uphold this complaint or make any award. I do not uphold this complaint or make any award.

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

Jo Storey
Ombudsman