

The complaint

Mr D complains about the service he received from Skipton Building Society (“SBS”) surrounding a change in his personal circumstances and a request to transfer money out of his account.

This complaint is brought to this service on Mr D’s behalf by his brother, who for ease of reference I’ll refer to as ‘Mr B’.

What happened

Mr D is disabled with learning difficulties, limited mental capacity, speech issues, deafness, and autism. He previously lived with and under the care of his mother. However, following the sad passing of Mr D’s mother in March 2023, Mr B took on the primary care responsibilities for Mr D.

Mr B assessed his brother’s financial position and wanted to transfer Mr D’s savings, held with SBS, to another provider. In late July 2023, Mr B accompanied Mr D to an SBS branch and asked to transfer Mr D’s money to an account opened in Mr D’s name with another provider. But SBS refused to complete the transfer and said that Mr B would need to obtain Power of Attorney for his brother before they would accept the transfer instruction.

Mr B obtained a lasting Power of Attorney for Mr D, and on 6 October 2023 he returned to SBS’s branch to instruct the transfer of Mr D’s money to the other provider. But SBS refused to process the transfer once again, and this time asked Mr B to provide a statement for the account to which he wanted to transfer Mr D’s money, to confirm to SBS that the recipient account was in Mr D’s name.

Mr B obtained a statement for the intended recipient account, which was in Mr D’s name, and provided the statement to SBS that same day. But SBS still wouldn’t process the transfer as Mr B wanted. SBS also explained that Mr D’s account had a cash withdrawal of £600 per month and handed Mr B a leaflet about fraud and scam prevention. Mr B wasn’t happy that SBS wouldn’t transfer his brother’s money, or with how he’d been treated while in branch, and so he raised a complaint on his brother’s behalf.

SBS responded to Mr B on 26 October 2023 and said that the account statement he’d provided had now been reviewed by their compliance department and that there were now no restrictions preventing Mr B instructing the transfer of Mr D’s money to the new account. SBS also apologised to Mr B for his experience when dealing with them and offered him £200 as a goodwill gesture. Mr B wasn’t satisfied with SBS’s response, so he referred Mr D’s complaint to this service.

One of our investigators looked at this complaint. They felt that SBS should have transferred Mr D’s money on 6 October 2023, when Mr B gave the requested account statement to them. But they noted that on 6 October 2023, SBS had transferred Mr D’s money to another SBS account which benefited from a higher rate of interest than the account with the other provider to which Mr B wanted to transfer the money, meaning that Mr D hadn’t incurred any financial detriment because of the delay in moving his money to the other provider.

Additionally, while our investigator accepted that Mr B had experienced poor service from SBS, they explained that this service is unable to award compensation for trouble and upset to a representative of a complainant. Mr B remained dissatisfied, so the matter was escalated to an ombudsman for 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.

Having done so, I can appreciate why Mr B feels so strongly about this complaint, because it's clear that SBS could and reasonably should have provided a better standard of service to Mr B than they did.

However, I can only confirm to Mr B what's already been explained to him by our investigator, which is that the rules by which this service must abide –which can be found in the Dispute Resolution ("DISP") section of the Financial Conduct Authority ("FCA") Handbook – don't permit me to consider awarding any compensation to him personally for the upset and frustration that he has experienced.

In short, this is because Mr D is the eligible complainant here, because the SBS account is in his name. And while I can consider awarding compensation for inconvenience and distress to an eligible complainant, in this instance it isn't Mr D who's experienced the poor service from SBS – it's Mr B. But Mr B isn't an eligible complainant here, but rather is acting as a representative for the eligible complainant. And, as our investigator has explained, the rules by which this service must abide don't permit us to award compensation for poor service received to a representative of an eligible complainant.

Additionally, the DISP rules don't allow this service to consider Mr B as being an eligible complainant in his own right. This is because the rules require a complainant to have one of a number of specified relationships with the business being complained about (such as being an account holder). And a complaint must arise from one of those specified relationships. But in this instance, even if Mr B was an SBS account holder, he still wouldn't be an eligible complainant as per the DISP rules here, because this complaint arises from SBS's refusal to transfer money from Mr D's SBS account.

I appreciate that this will be frustrating for Mr B. And while I note that SBS have offered him £200 as a goodwill gesture because of what happened, I'm unable comment any further on this aspect of the complaint for the reasons explained above. If Mr B wishes to accept or refuse SBS's £200 goodwill offer, that is a matter between Mr B and SBS themselves.

What I can consider here is whether SBS's actions caused any financial loss for Mr D, the account holder and eligible complainant. But upon review, I don't feel that Mr D has incurred any financial loss.

This is because I feel that it was fair and reasonable that SBS refused to instruct the transfer until Mr B obtained a Power of Attorney for his brother's affairs. Mr B didn't provide a Power of Attorney to SBS until 6 October 2023, which was also the date he provided the bank statement for the intended recipient account to SBS. And while I do feel that SBS should have transferred Mr D's money as per Mr B's instruction on 6 October 2023, I note that SBS moved Mr D's money on that date to another SBS account that benefited from a higher rate of interest than the account that Mr B wanted to transfer the money to – meaning that Mr D didn't incur any financial loss resulting from the delay in the transfer after 6 October 2023.

Mr B feels that SBS should have transferred his brother's money in July 2023, when he went

into branch with Mr D to first request the transfer. But SBS were aware of Mr D's disabilities. And being aware, I feel that SBS acted fairly and responsibly by requiring Mr B to obtain a Power of Attorney for Mr D before they would act on his instructions. And because Mr B only provided SBS with a Power of Attorney for his brother on 6 October 2023, I can only consider whether Mr D incurred any financial loss because of SBS's actions from that date onwards – which, as explained above, I'm satisfied that he didn't.

Finally, Mr B is unhappy that SBS applied a £600 month withdrawal limit to Mr D's account. But this was an informal limit that was put in place while Mr B's mother was fulfilling the primary care responsibilities for Mr D – although I do feel that Mr B should have been able to instruct its removal from 6 October 2023 onwards. However, I haven't seen any indication that the presence of this limit after 6 October 2023 caused Mr D to incur any financial loss, and so I don't feel that SBS need to do anything further in this regard.

I realise this won't be the outcome Mr B, acting as Mr D's representative, was wanting. But it follows from all the above that I won't be upholding this complaint or instructing SBS to take any further or alternative action here. As previously stated, I can understand Mr B's frustration at the service he received from SBS, and so I hope that he'll understand, given what I've explained, why I've made the final decision that I have.

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 Mr D to accept or reject my decision before 3 May 2024.

Paul Cooper
Ombudsman