

## **The complaint**

The estate of the late Mrs R (represented by Mr R) has complained that when providing a valuation of Mrs R's ISA for probate purposes, Barclays Bank UK Plc (Barclays) provided two different values. Mr R states that this inconsistency has caused him additional stress, as well as costing time and money in completing the probate application for Mrs R's estate.

## **What happened**

On 19 January 2023, Mrs R passed away. Mr R contacted Barclays to advise them of this, and to request a statement of the valuation of her accounts at the date of death for probate purposes.

On the same day as Mrs R passed away, Aveva, one of the holdings within Mrs R's ISA was acquired by Ascot Acquisitions, and as a result the shares were immediately no longer tradable and were exchanged for an agreed cash value as part of the takeover.

Following Mr R's notification to Barclays, he was provided with two valuations. One was a probate valuation, provided by the Bereavement Team and the other was provided by the Smart Investor Team. The valuation provided by the Bereavement Team valued the Aveva shares at nil but included a statement that a valuation could not be provided for the Aveva shares due to the acquisition – it showed the value of the late Mrs R's shares to be £102,146.62. But the probate valuation provided by the Smart Investor Team did include a value for the Aveva shares and showed a total value of £105,079.

On 1 March Mr R submitted a complaint to Barclays. He complained that he had been provided with differing statements, meaning that he was not given a consistent valuation needed to complete the probate application.

Barclays provided Mr R with their final response on 14 April 2023. They stated that although it was clear that the valuations provided were different, this was due to the time lag following the acquisition of the Aveva shares, but before the takeover proceeds were credited to the account. Barclays confirmed that although they understood why Mr R had queried the accuracy of the statements, there had been no bank error throughout their process and did not uphold the complaint.

Mr R was unhappy with this and forwarded his complaint to this service.

One of our investigators considered the information available and agreed with the response from Barclays. She concluded that the differences in the valuations provided were due to time lags in the administration process, which was affected by the change in status between the Aveva shareholding and their cash value post the takeover. The investigator acknowledged that she could see why Mr R queried the consistency of the valuation, but she could see why Barclays had provided the information they had, and she did not uphold the complaint.

Mr R remained dissatisfied, so the complaint has therefore been referred to me 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.

I have considered what I believe to be the main focus of Mr R's complaint – namely that Barclays appear to have inconsistencies in their accounting or valuation processes which have resulted in him being provided with differing valuations as at the same date.

Having considered the information provided by both Mr R and Barclays, I cannot find evidence to support this assertion. The differing valuations experienced by Mr R were the result of an unfortunate combination of factors, that is, that Mrs R passed away on the same date that the Aveva shares within her portfolio were subject to acquisition by Ascot Acquisitions.

Mr R has been provided with two statements, provided on different dates, but with the value as at the same date, 19 January 2023.

The Consolidated Statement and Valuation provided by Barclays Investment Solutions (Barclays Smart Investor) dated 17 February 2023 stated the total value to be £105,079.05, and included a value as at 19 January 2023 for the Aveva shares of £2,929.29.

The probate valuation provided to Mr R, dated 23 February 2023 (showing the valuation as at 19 January 2023) states the total value to be £102,146.62. It does not include a value for the Aveva shares, and states *"No value can be calculated for Aveva was acquired on 19/01/2023 by Ascot Acquisition Holdings Ltd on a cash only offer of 32.25 for 1 Ord held"*.

Barclays have confirmed that the principal reason for the valuation differences is due to the treatment of the shares on the day they were being acquired by Ascot Acquisitions. They have confirmed that on 19 January 2023, the acquisition date and the date Mrs R passed away, the shares were no longer in existence, could no longer be traded, and the takeover proceeds had not yet been added to the account. It is not unusual for there to be a time lag following acquisitions before the cash value was shown – I therefore do not think that Barclays' explanation seems unreasonable.

There is no doubt that the statements were calculated by treating the Aveva shares differently – one taking into account the acquisition of the Aveva shares and allocating them no value at that time, and the other with the known cash value – and as a result, differing valuations were provided to Mr R. However, I do not consider that either of the statements provided included information that was incorrect based on incorrect valuations, or suggest that Barclays' accounting practices were inconsistent.

The reason I have concluded this is the fact that both statements reflected the then ongoing process relating to the Aveva shares that impacted the way they were represented in the statement and explain the way the valuation has been calculated.

In general, when a probate valuation is completed, the shares are valued on what is known as a "quarter-up" price. This valuation uses the end of day range of values, and is based on the lower price – the bid price - plus a quarter of the difference between the bid and the offer – the buying price. Due to the Aveva shares having stopped trading at 08.00 on 19 January 2023, the "quarter up" price could not have been calculated for the probate purposes. It is therefore not unreasonable that Barclays excluded the value from the "Valuation of Securities" list, as there was no range of values at the end of the day (19 January 2023). This valuation does include the cash value for one ordinary share at the point of acquisition meaning that Mr R was in a position to have an understanding of the cash value of the

Aveva holdings. I do not believe that Barclays have acted unfairly in presenting the probate valuation of the securities in this way.

I appreciate that Mr R would have liked a full valuation for probate purposes and the valuation he did receive didn't include the number of shares Mrs R held at the date of death on the day of the takeover, or the value of the takeover proceeds the estate would be receiving but he had all of the information he needed to make that calculation.

I would like to reiterate the purpose of this service, which is as an informal, impartial dispute resolution service. And while we do take relevant law and regulation into account when arriving at our decisions, our remit is focused on determining whether we feel a fair or unfair outcome has occurred – from an impartial perspective – after taking all the factors and circumstances of a complaint into consideration and as such, from what I've seen, I've not been persuaded that Barclays have treated Mr R unfairly.

I acknowledge that different departments presenting the value of the shares inconsistently would have been frustrating for Mr R and added a layer of uncertainty which would have been unwelcome at an already stressful and difficult time. However, I think it is important to recognise that the scenario leading to this is unusual – that is, the takeover of the company in question on the same day as a customer holding those shares passing away, and likely to be a situation that would require a bespoke set of processes to be carried out.

For the reasons given above I do not uphold Mr R's complaint.

### **My final decision**

For the reasons stated above I do not uphold the estate of Mrs R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs R to accept or reject my decision before 16 May 2024.

Joanne Molloy  
**Ombudsman**