

The complaint

Miss K on behalf of the late X's estate complains Santander UK Plc ("Santander") wrongly allowed the transfer of £20,000 from X's account to an account held jointly.

What happened

In April 2016 the late X transferred £20,000 from her current account to another account held jointly with someone else. On X's passing in 2019 the joint account and proceeds passed by right of survivorship to the joint account holder. This was discovered by Miss K – X's personal representative – and Miss K complained that as the account was funded by X the money shouldn't have passed to the other account holder.

Miss K believes X was pressured into making this transfer by the other joint account holder and wouldn't have been capable of carrying out the transaction by herself as she was housebound and on a number of prescribed drugs due to her depleting health. Miss K says the beneficiaries of X's estate have lost out financially due to the transfer of these funds.

Santander didn't uphold Miss K's complaint. It says it wouldn't look into where the accounts funds came from and both account holders were aware that the funds in the joint account are held jointly.

Miss K was dissatisfied with this and brought her complaint to this service.

We couldn't look at the first complaint Miss K brought to our service – that Santander wrongly made available the funds of the late X's account to the joint account holder after X passed away – because Miss K didn't refer her complaint to this service within six months of Santander's final response letter.

But we were able to look at Miss K's later complaint regarding the transfer X made from her current account into the joint account as this was referred to this service within six months of Santander's final response letter dated 18 September 2023.

One of our investigators looked into Miss K's concerns but overall didn't think Santander had done anything wrong as there was no evidence that the late X transferred the £20,000 against her will.

Miss K disagreed, she says she has provided evidence in the form of text messages and letters which show the joint account was opened purely for the interest rate and was funded by X entirely. She says the joint account holder has wrongly received the proceeds depriving X's beneficiaries of their entitlement. Miss K has asked for an ombudsman's decision on the matter.

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 hope that Miss K won't take it as a discourtesy that I've condensed her complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint. Our rules allow me to do that.

Firstly, I need to be clear the only complaint point this decision relates to is regarding the transfer of £20,000 from X's sole account to a joint account held in her name. What happened to the funds after this is a separate complaint point which I understand this service can't look at as it wasn't brought to this service within six months of Santander's final response letter.

It might help if I explain here my role is to look at the problems a customer has experienced and see if the business has done anything wrong or treated them unfairly. If it has, I would seek – if possible - to put the customer back in the position they would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

Miss K says Santander did something wrong in that it allowed X to transfer £20,000 from her sole account to a joint account also held in her name resulting in the deprivation of funds from X's estate. Miss K says X would've never been able to make this transfer herself as she was housebound and on medication for her failing health.

Santander has confirmed that it hadn't ever been advised of X having any mental, personal or financial problems and as such there was no mistake on its part in allowing the transfer.

Miss K has provided this service with a number of text messages and letters from solicitors which she says shows X would've never done this on her own or intended for the joint account holder to inherit these funds.

I sympathise with Miss K as what happened has clearly come as a shock to her and at a time when she was no doubt grieving the passing of her mother. But I've carefully considered all the evidence she has provided, and I can't see that Santander has done anything wrong.

The evidence provided does suggest that the account was opened and funded in order for X to receive a better rate of interest on her money. I can't say why the account was opened in joint names rather than X's sole name, but the application form shows both account holders signed the form to open the account jointly and I've seen no evidence that X didn't intend to open and fund the account or was pressured into taking this course of action.

Indeed, as our investigator has already pointed out I think if X was under any pressure or didn't want to make the £20,000 transfer, I think it is likely she would've said something or raised this with Santander in the three years she held the account – rather than just leave it as it is.

I accept Miss K wasn't aware of the joint account or the transfer of £20,000 into it until after X passed and that the text messages show this. But this isn't evidence of any wrongdoing on Santander's part – all this is evidence of I think is a dispute about money and the distribution of the late X's estate, one I think best looked at and investigated by the relevant authorities and not one this service can help with.

So it follows – and I know this will come as a disappointment - as I haven't seen any evidence of Santander making a mistake in allowing the late X to make a £20,000 transfer into a joint account held by her or that it treated her unfairly, I do not uphold this complaint.

My final decision

For the reasons I've explained, I do not uphold Miss K's complaint brought on behalf of the estate of the late X against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of X to accept or reject my decision before 6 August 2024.

Caroline Davies
Ombudsman