

The complaint

The Administrator of Mr Z's estate complained because she believes that the maturity value of a mortgage endowment policy taken out alongside a mortgage with a predecessor of Barclays Bank UK PLC was not paid out. As such, she believes the proceeds of the policy are owed to the estate.

What happened

In 1991 Mr Z took out a mortgage endowment policy on the advice of Woolwich Building Society to protect and repay the mortgage he took out with it at the same time. The policy started in October 1991 and had a term of 25 years. The policy was taken out with the life assurance company that was linked to the lender.

The mortgage was repaid in 2002 when Mr Z re-mortgaged to a different lender. The Administrator has told us she paid off Mr Z's mortgage in 2013.

Barclays Bank took over Woolwich in 2000. The endowment policy was transferred to a life assurance company (which I will refer to as BL) that was a subsidiary of Barclays Bank. Subsequently, in 2008, a reinsurance company bought the business of BL, and the policies were transferred to one of the reinsurer's subsidiaries, which I will call R.

Following Mr Z's death, the administrator identified the existence of the endowment policy and was unable to find any evidence of the maturity value being paid out in 2016. She contacted Barclays to enquire about the policy as she believed it had not paid out the maturity value to Mr Z, and subsequently she made a complaint.

Barclays Bank seems to have interpreted the Administrator's communication as a request for assistance in tracing an endowment policy that had been linked to the mortgage with it, rather than understanding that the Administrator believed it was responsible for the policy. It checked its system records relating to the mortgage for any information it could find and checked its deeds storage to see if it still held any documents. It didn't locate any documentation or information of use.

Barclays Bank responded to the complaint in a letter of 18 September 2024. It confirmed that, due to the passage of time since the mortgage had been repaid, it had little information about it, and it had been unable to locate Mr Z's policy. Barclays Bank also said that it would look at the matter again if the Administrator could provide evidence of what organisation the policy premiums had been being paid to.

The Administrator provided some information showing a payment from one of Mr Z's bank accounts titled Woolwich. However, Barclays Bank didn't consider this was relevant to the mortgage or endowment as Mr Z didn't have accounts with it at the time of the payment.

The Administrator was not satisfied with the response she received and asked the Financial Ombudsman Service to consider the complaint.

Barclays Bank confirmed that it had been unable to locate any record of an endowment policy and it had no documentation linked to one in storage. It also confirmed that the product provider would be the business that would have dealt with any payments made from the policy.

One of our Investigators considered the complaint, but he didn't recommend that it be upheld.

The Administrator didn't accept the Investigator's conclusions and asked that the complaint be referred to an Ombudsman. She said that she had provided evidence of payments being made to the endowment policy and that no money had been received by Mr Z in 2016. She also highlighted that despite the policy having been taken out with a predecessor business of Barclays Bank, it was responsible when the policy was transferred to it.

Following my initial review of the complaint, I asked the Investigator to explain to the Administrator that Barclays Bank was not the product provider of the endowment policy and would not have been responsible for its administration, including paying out any maturity value due. We set out the above information about the transfer of policies taken with Woolwich's linked life assurance company, and provided the contact details of the life assurance company that would hold any records still available for Mr Z's policy.

The Administrator stated that she believed that Barclays Bank became responsible for the policy when it took over Woolwich. So, she considers that Barclays Bank is responsible for finding out what happened to Mr Z's policy, not her. Furthermore, the Administrator questioned why Mr Z was not sent any documentation relating to the transfer of his policy to BL and later R.

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 would initially confirm that Barclays Bank was not responsible at any point for the administration of the endowment policy Mr Z took out. While Barclays Bank did take over Woolwich, the Bank and the life assurance company are separate entities for the purposes of our jurisdiction. As such, I can't hold Barclays Bank responsible for the complaint the Administrator has made – that Mr Z didn't receive the proceeds of his policy in 2016.

The Administrator has also commented that she has found no correspondence in Mr Z's papers detailing the transfer of the policy between life assurance companies. Again, this is something that the life assurance companies were responsible for, not Barclays Bank and so it's not a complaint I can consider against it. However, I can confirm to the Administrator that I have previously seen copies of the notifications sent out in relation to these transfers, so it is likely Mr Z would have been sent those notifications, although he may not have retained the letters.

The Administrator has highlighted a previous decision I issued in which I noted that Barclays had approached R for information about an endowment policy. As it asked R to complete a search of its records for the policy on that case, she considers it should do the same for Mr Z's policy. Had Barclays Bank understood the Administrator's communications when they were received, it is possible Barclays Bank would have contacted R in order to attempt to be helpful. However, it was not required to do so. In most situations where financial services products have been transferred to new providers, a consumer will simply be given details of which business the product has been transferred to, so that they can direct their enquiries to the right business. I don't consider that, in the circumstances, Barclays Bank needs to make

further enquiries for the Administrator. Furthermore, if the Administrator makes the enquiry directly, she may well receive a response faster than going through a third party.

Overall, I am satisfied that Barclays Bank is not responsible for the matters that have been raised in this complaint, and so I can't find that it has done anything wrong.

My final decision

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

Under the rules of the Financial Ombudsman Service, I am required to ask the estate of Mr Z to accept or reject my decision before 1 April 2025.

Derry Baxter
Ombudsman