

complaint

Miss M complains that Bank of Scotland plc (trading as Halifax) has blocked her account and won't release the money in it even though she says it followed procedures correctly when it allowed money to be transferred into the account.

background

Miss M is one of the executors of the will of her late father. Following his death, she visited a Halifax branch with a copy of his will and his death certificate. She was told that Halifax only needed the signature of one executor to release the money. Miss M signed the required declaration and the money in her father's account was paid into it an account in her sole name.

A few weeks later, Halifax wrote to Miss M explaining that it had realised that the will named two executors. It asked her to return the money or agree to allow it to send it to solicitors who the other executor had instructed. When Miss M complained, Halifax explained that it had made a mistake. It shouldn't have released the money without the signatures of both executors. It blocked Miss M's account and explained that it would only release the money if it had the agreement of both executors. It recognised that Miss M had experienced distress and inconvenience as a result of its mistake. So it offered her £250 to apologise for this.

Miss M wasn't satisfied with Halifax's offer. The other executor threatened Miss M with court proceedings. She's experienced stress and the matter has affected her health. She'd like Halifax to pay her £3,000 compensation.

Our adjudicator accepted that Halifax had made a mistake by releasing the money to Miss M without the other executor's agreement. But she didn't consider that Halifax could be held responsible for the fact that the other executor had instructed solicitors and pursued her for the money. Although Halifax had made a mistake, it was entitled to take steps to correct it and protect its position. The adjudicator thought the £250 which Halifax had offered was fair.

Miss M isn't happy with the adjudicator's view. She says the branch have told her that Halifax's response to her complaint is incorrect. She says she's been told that the money was transferred to her in accordance with local procedures, so her account shouldn't have been blocked. She's since explained that the account is being unblocked, as the other executor no longer wishes to contest the position.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Having done so, I've reached the same conclusion as the adjudicator.

I acknowledge that Miss M has sought clarification of Halifax's procedures. But I don't consider that I need to see those procedures to decide what is a fair outcome to the complaint.

Halifax paid the money in Miss M's late father's account into an account in her sole name. It subsequently transpired that the other executor objected to the fact that the money had been paid to Miss M. Regardless of whether Halifax's procedures required it to get the signature of both executors before paying money out, I find that once it became aware that there was a

dispute, it was reasonable of it to prevent access to the money until it had the agreement of both executors. This is because it had a responsibility to the estate of its late customer to make sure that his wishes were respected.

I accept that Miss M has experienced some trouble and upset due to inconsistencies in the information Halifax has given her about whether the money should have been released to her in the first place. And I realise that this was at what will already have been a difficult time. But Halifax has offered to pay her £250. Even if I were to accept that it shouldn't have paid her the money at the outset, I wouldn't consider it appropriate to require Halifax to pay Miss M more than that.

my final decision

My decision is that Bank of Scotland plc (trading as Halifax) should pay Miss M £250.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss M to accept or reject my decision before 10 July 2015.

Juliet Collins
ombudsman