



Case study: Banking

BANK'S DELAY IN CHANGING DELEGATED AUTHORITY OVER BANK ACCOUNT CAUSES LOSSES AND INCONVENIENCE

Themes: Delegated authority; poor administration and delays; court appointment; mediative approach.

This complaint relates to a bank's delay in amending the authority over a bank account to a newly appointed advocate.

A local advocate, Advocate F, was appointed by the court to undertake the management of Miss H's property and financial affairs. In September 2022, Advocate F wrote to Miss H's bank to initiate registration as delegate to acquire authority over Miss H's bank account. In January 2023, Advocate F received a letter from Miss H's bank which said they were unable to locate Miss H's account. Advocate F provided copies of Miss H's bank statements to the bank which confirmed the account details she had provided were correct. However, the requested changes to Miss H's bank account were not then implemented. Although Advocate F repeatedly communicated with the bank requesting an update, she did not receive an adequate response. In April 2023, Advocate F made a complaint to the bank.

In June 2023, because no further response had been received from Miss H's bank, Advocate F referred the complaint to CIFO. In July 2023, before CIFO could fully investigate the complaint, Miss H's bank contacted Advocate F and confirmed that they could not amend the bank account as some of the documentation provided by Advocate F was illegible. It also transpired that a former appointed delegate still had authority to manage Miss H's bank account and had not been removed.

CIFO investigated and communicated with Miss H's bank, noting that it had taken about a year to get to this stage and the delay had caused difficulties which led to costs being incurred by Miss H which would not have otherwise arisen. CIFO used a mediative approach and worked with the bank to ensure that Advocate F's delegated authority was applied to Miss H's bank account. In addition, CIFO upheld the complaint and recommended Miss H's bank should provide a clear and detailed explanation for the delays and apparent inactivity Advocate F had suffered, along with compensation to cover Miss H's losses as a result of time and inconvenience incurred by Advocate F when dealing with establishing authority to manage Miss H's bank account. The complaint was settled when Miss H's bank paid agreed compensation of £1,000.