

The complaint

Mr S complains Barclays Bank UK PLC delayed the transfer of his Barclays Smart Investor Individual Savings Account (ISA) to his new provider (K).

What happened

Mr S, via K, requested the transfer of £96,000 cash held in his ISA to K on 6 May 2020.

In June 2020, Mr S complained to Barclays about the delay to the transfer completing but they found no record of his request.

After speaking to K, Barclays established the transfer request had been sent to an email not associated with Barclays Smart Investor. The correct email address was then provided to K who resubmitted the request on 23 June 2020.

Following further delays, Mr S complained again prior to Barclays completing the transfer on 19 August 2020. K received the funds the same day.

Mr S said his intention had been to invest the money as soon as the transfer completed, and the delays meant he'd lost out financially.

Barclays upheld the complaint saying K had initially sent his request to the wrong email address but that after receiving it to the correct address on 23 June 2020, they'd caused a delay to the transfer completing.

Barclays explained they have up to 15 business days to complete a transfer of this kind however on this occasion Mr S's transfer had taken 37 calendar days longer.

Without evidence of the trades placed when the transfer completed, Barclays offered to pay interest on the amount of the transfer at 8% simple for the delay between 23 June 2020 and 19 August 2020 plus a further £250.

Mr S rejected Barclays offer saying his transfer request was made on 6 May 2020, disagreeing he'd not provided evidence the funds were invested as soon as it was received by K. Because Mr S remained unhappy, he asked the Financial Ombudsman Service to investigate.

Barclays believed they'd made a fair and appropriate offer to resolve the complaint but acknowledged they'd failed to refund administration fees charged after the transfer should have started, so offered to reimburse Mr S an additional £36. Barclays also increased their offer of compensation to £350.

Our Investigator looked into things. She didn't think she could fairly say Barclays were entirely at fault or responsible for the delay prior to 23 June 2020 so she didn't ask them to do anything more for this part. But she said Barclays needed to do more to put things right for the delays after 23 June 2020.

Our Investigator saw no reason to doubt that Mr S intended to invest the money earlier had the transfer not been delayed. So, she said Barclays should contact K to calculate if the funds had been invested 15 business days after 23 June 2020, what the value would've been on 19 August 2020. She said if the value was greater than the 8% Barclays had offered, they should pay this amount instead.

Our Investigator thought Barclays offer of £350 compensation, along with refunding the £36 fees was fair, so didn't ask them to increase this.

Mr S disagreed with the date from which Barclays should be responsible for the delays, saying they should have a responsibility to monitor the email address the original request was sent to. He said K had emailed and telephoned so he thinks they made every effort, compared to Barclays making none at all, to expedite the transfer.

Barclays accepted what our Investigator said but after receiving information from K, they said not all of the transferred funds had been invested immediately, and instead some of the trades had not been placed until the following month.

Because of the information provided, our Investigator revised her opinion saying Barclays should calculate Mr S' loss based on the additional units that could've been brought had each trade been made 36 calendar days prior, following the same investment pattern that K went on to make.

Mr S disagreed saying the amount would've been invested immediately in its entirety had the funds been received on time, also arguing this may have led him to divide his money between funds that have since outperformed K's managed service.

Further, after receiving Barclays offer Mr S pointed out that the initial email address used by K must have been live because Barclays eventually responded to K from it. Mr S said because the email was clearly live and being monitored, he couldn't agree Barclays weren't responsible for his loss from 15 days after the original transfer request was sent by K.

Mr S didn't agree to our Investigators proposal as he didn't think he'd been treated fairly but he did say he would accept, without prejudice, £3,000 in order to settle the matter.

Because Barclays didn't agree to Mr S' request, and he remained dissatisfied with our Investigators opinion, the complaint has been passed to me to decide.

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.

While I appreciate it won't be the outcome Mr S was hoping for, I'm upholding this complaint and for much the same reasons as our investigator. I'll explain why.

But first, I'm aware I've summarised this complaint in far less detail than has been provided, and I've done so using my own words. No discourtesy is intended by this. Instead, I've concentrated on what I think are the key issues here. Our rules allow me to do this.

This reflects the nature of our service as an informal alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every detail to be able to reach what I think is the right outcome reasonable in the circumstances of this complaint.

I also think it's important to say that I've kept in mind that as an informal service we can't always be exact in the redress we suggest - our aim is to provide resolutions that are fair and reasonable. Having considered all the evidence, I'm satisfied my decision is a fair way of putting things right.

I note Mr S has previously said he intends to ask Barclays to pay his full hourly rate as compensation. This isn't something we'd usually do in cases brought in someone's personal capacity – as one person's free time isn't worth more than another's. Instead we'll consider the overall inconvenience someone may have experienced including spending time dealing with a matter.

I consider there to be two points that form the crux of this complaint. From which date were Barclays responsible for the delays in transferring Mr S' funds. And once that's decided, what do they need to do to put it right.

First, it's not in dispute Barclays caused a delay. They've accepted they should've completed the transfer within 15 days of 23 June 2020. Mr S thinks the transfer should've been completed within 15 days of K sending their original request on 6 May 2020. But I don't agree.

When completing a transfer, it's normal for the requesting business to check TISA for the contact details of where instructions should be sent. K said there were multiple entries for Barclays at the time but the details for each were very sparse with no telephone numbers and very few email addresses.

It's understandable there were no telephone numbers listed, K acknowledge each entry explained that due to Covid-19, Barclays would not be taking calls at that time.

So, I've thought about the email address used. K say there were very few email addresses listed so they used one they knew had worked in the past. Unfortunately, Barclays have confirmed this address was not associated with Barclays Smart Investor – the type of account Mr S held – so they didn't receive the request.

It may have been the case that K had no reason to suspect that the address used wouldn't work, it had worked for them before. But ultimately, it wasn't an email address provided by Barclays on TISA for other businesses to use at that time.

I understand only very few email addresses may have been listed but K only needed one. Had the request been sent to an address provided by Barclays on TISA I may have been persuaded it should be considered the request had been received, but it wasn't.

I've also thought about the fact Barclays did eventually reply to question the request, by which time K had already spoken to them and obtained the correct address.

Of course, it would have been helpful had they done so sooner. But Barclays have said the email address used wasn't being regularly monitored, and because it wasn't an address they'd provided; I can't hold them responsible for not doing so.

So, I'm satisfied Barclays aren't responsible for any delay before 15 days after receiving the request to the correct address.

Next, I've thought about how Barclays should compensate Mr S for the delay they did cause.

I appreciate Mr S' ISA is a managed service, so he may not have had control over when the money was invested, and K may have invested differently – for instance in other funds - had the money arrived earlier. Mr S has also said himself he might've divided his money between funds.

I can't be sure exactly what would've happened had K received Mr S' money earlier than they did. With this in mind, I've had to consider what I think to be a fair and reasonable way of putting things right.

Had K been able to follow the same investment pattern they did do after receiving Mr S' fund, 36 days earlier, he would've been able to purchase more units in some instances and overall his investment would have been worth more.

Therefore, I think Barclays should pay Mr S the amount he would require in order to buy those additional units on the date of settlement. Mr S can then choose to buy the units to put him back in the position he would have been in – or as close to it as I find fair and reasonable - had K been able to follow the same investment pattern earlier.

I acknowledge Mr S has spent time dealing with this matter and it no doubt caused him distress and inconvenience. That said, I do consider Barclays offer of £350 to compensate

for the delays and the time taken to deal with the matter as being fair and reasonable in the circumstances of this complaint.

Finally, Barclays acknowledged Mr S had been charged further administration fees of £36 because of the delay they caused. I agree Barclays should refund Mr S £36.

In summary, I'm satisfied Barclays were responsible for any delay caused after 23 June 2020 and I've set out below how I think they should put this right. But I don't find them responsible for any delay prior to 23 June 2020.

Putting things right

Barclays Bank UK PLC should put things right by:

- Calculating the number of additional units Mr S would've been able to buy 36 days prior to when each investment was made.
- Pay Mr S the amount it would cost him to buy those additional units on the day of calculation.
- Pay Mr S an additional £386, consisting of £350 compensation and a reimbursement of £36 fees.

My final decision

I uphold this complaint and require Barclays Bank UK PLC to put things right by doing what I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 19 July 2022.

Sean Pyke-Milne
Ombudsman