

## The complaint

Mrs L complains about the poor service she received from Barclays Bank PLC. She says:

- Correspondence about the closure of one of her funds was sent to a wrong email address, meaning she couldn't surrender the fund early.
- She'd been a client of Barclays for 10 years but was forced to sell her investments, which she'd intended to hold for the long term, when Barclays stopped its service. Barclays then paid the sale proceeds to the wrong account.

## What happened

Mrs L had an "ilInvest" account with Barclays.

Her investments included a fund which I'll refer to as "B". B closed on 31 March 2020 because it was felt too small to operate efficiently, which was not in the best interests of shareholders. Barclays emailed Mrs L to tell her about the fund closure on 11 March 2020, but it used an old, and incorrect, email address, so Mrs L didn't receive it. She says she missed the opportunity to sell the fund before it was compulsorily redeemed on 30 March.

In or around October 2019, Barclays wrote to Mrs L to give her notice that its ilInvest platform was closing. It said she could transfer her investments to another provider or sell them. Mrs L wasn't able to find another provider and Barclays' Jersey branch couldn't accept Mrs L as a client because of her residency. She says she was forced to sell the investments which she'd planned to keep for the long-term.

She provided details of the bank accounts where she wanted the sale proceeds paid. But Barclays paid them to her nominated account. She says this was particularly problematic because of the jurisdiction of that account, and the rules which applied to it.

Barclays offered Mrs L £300 for the delay in investigating her complaint about the closure of ilInvest. And it paid her £75 for making payment to the wrong account. It later offered an additional £700.

After the complaint had been referred to us, Barclays looked at Mrs L's complaint again and told us it would offer the following:

Redress for lost opportunity to surrender B fund	£2,561.27
Distress and inconvenience for the lost opportunity to surrender B fund	£250.00
Distress and inconvenience for the closure of ilInvest and payment to the wrong account	£1,100.00
Distress and inconvenience for payment to the wrong account (already paid)	£75.00
Compensation for the delay in investigating Mrs L's complaint and issuing a final response letter	£250.00
<b>Total</b>	<b>£4,236.27</b>

Our investigator considered this to be fair and reasonable compensation in the circumstances.

Mrs L said she accepted the amount of compensation (£2,811.27 in total) was fair for the lost opportunity to surrender her holding in the B fund.

She said she *could* accept £1,100 for the sale proceeds being credited to an account which wasn't in line with her instructions, but that this mistake could still have serious financial implications for her.

Turning to the closure of iInvest, she said she was forced to sell her investments and she wanted the up-front fees she'd paid of £10,000 refunded. She said she was ready to open an account with Barclays' Jersey platform and that she told Barclays she could travel out of her country of residence to do so. But she was told her resident country was too high risk. She says she was also prevented from using two other alternative providers that she'd found because of the limited liquidity of the funds she held.

### **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.

Barclays has offered to pay Mrs L £2,811.27 for sending information about B fund to the wrong email address and the resulting opportunity she lost to surrender B fund before it was compulsorily surrendered. Mrs L says she agrees this is fair, so I don't need to comment on this part of her complaint further.

Mrs L says £1,100 might be enough to compensate her for the sale proceeds of her investments being paid to the wrong account. But she implies that she's not sure if there may still be financial implications for her. There's no evidence to show she is facing any action for the credit to her account. And I can't award compensation for something that *might* happen. In the circumstances, I can't order Barclays to pay additional compensation.

As explained by our investigator in response to Mrs L's argument about the £10,000 up front fees, these were initial charges which covered administration and marketing costs and the commission to the financial advisor. The fees weren't for the cost of the iInvest platform and I don't find it would be fair or reasonable for these to be refunded when Mrs L has received the service these fees paid for.

Like our investigator, I sympathise with the position in which Mrs L found herself. Whilst it was unfortunate Mrs L couldn't find another provider, I don't find this was Barclays' responsibility or that it did anything wrong. It was entitled to take a commercial decision to end one of its services and it gave Mrs L reasonable notice. The funds may have had limited liquidity, but she'd held them for a number of years and I've not seen information to show that Barclays had an on-going responsibility to ensure the funds remained suitable for her.

Whilst Barclays couldn't provide Mrs L with advice about what to do, it did suggest its Jersey platform as a possible provider. But it later realised it could not accept her as a client on that platform because of her residential status. It's not my role to comment on how a business operates or which individuals it is able to accept as its clients. But I'm satisfied Barclays didn't treat Mrs L unfairly in declining to allow her to move to its Jersey platform, when she was resident in a country it didn't accept. I don't find it would have made any difference that she could have travelled outside of her country of residence to sign the paperwork; it was her residential status that was important.

**My final decision**

My final decision is that Barclays Bank PLC should pay Mrs L £4,161.27, in addition to the £75 it's already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 25 October 2022.

Elizabeth Dawes  
**Ombudsman**