

The complaint

Mr G complained that Barclays Bank UK Plc ('Barclays') mistakenly sold the shares in his stocks and shares ISA and transferred the cash from the sale to his account with another provider. He said Barclays took too long to resolve the problem. And he said Barclays didn't pay him enough compensation for the distress and inconvenience he experienced.

What happened

Mr G had a stocks and shares ISA which was provided by Barclays. In June 2022 he instructed Barclays to transfer the contents of his Barclays ISA to a third party ISA provider ('the third party'). Barclays carried out Mr G's instruction. After the transfer it closed his Barclays ISA.

In early July 2022 Mr G asked Barclays to sell shares in his general investment account and use the cash to purchase shares inside his Barclays ISA. Barclays told him the ISA had been closed but it now re-opened the ISA and carried out Mr G's instructions.

On 12 July 2022 an automated process set up by Barclays to 'sweep' closed accounts automatically sold the shares in Mr G's ISA. And on 18 July 2022 the automated process transferred the cash now in Mr G's ISA to Mr G's account with the third party.

Mr G complained to Barclays about this in July 2022.

On 29 July 2022 Barclays began to investigate. As part of its investigation Barclays established that after Mr G's ISA was reopened its system had continued to treat it as closed. Because of that the system had automatically 'swept' the ISA for any residual amounts such as dividend payments that needed to be transferred to the third party as part of Mr G's June 2022 transfer. And so it had sold his shares in error and transferred the cash to Mr G's account with the third party in error. Barclays looked into how to put things right for Mr G by retrieving the cash from the third party and buying back the shares it had sold in Mr G's ISA. It also looked into how to ensure the automated sweep of Mr G's ISA wouldn't happen again.

Between August and December 2022 Barclays submitted multiple requests to the third party for it to return the cash Barclays had mistakenly transferred from Mr G's Barclays ISA to Mr G's account with the third party. The other provider rejected the requests for various reasons, including that it couldn't do a partial transfer, Mr G was out of his cooling off period, Mr G didn't have a current ISA subscription with the third party, and the third party required a 'wet' signature. Barclays chased the third party a number of times and sought input from Mr G, for example to have him sign a transfer request for the third party.

On 30 December 2022 Barclays received a cheque from the other provider for Mr G's cash. And on 4 January 2023 Barclays bought back the shares it had sold in Mr G's Barclays ISA.

On 9 February 2023 Barclays gave Mr G its response to his complaint. In summary it said the following:

- Barclays upheld the complaint because Mr G hadn't received the service he should be able to expect from Barclays. It apologised and explained that its system had failed to recognise that Mr G's ISA had been reopened after he'd transferred out of the ISA in June 2022 and Barclays had closed it.
- Barclays had already bought back Mr G's shares and would also give him the dividend of £154.77 which he would've received in September 2022 had Barclays not mistakenly sold his shares.
- Mr G had said he did most of the chasing to resolve the issue and the complaint handling from Barclays was poor.
- Barclays had kept him informed at each step of the way but it acknowledged it could've given him a resolution earlier.
- Barclays would pay £150 into Mr G's account within five days in recognition of distress and inconvenience because its service hadn't met his expectations and because of *'the duration of time taken to offer a resolution'*.

In its investigation notes Barclays wrote that its decision to pay £150 for distress and inconvenience took into account the following:

- The stress Mr G described experiencing, particularly as a result of to-ing and fro-ing between Barclays and the third party.
- The error itself – wrongly selling Mr G's shares and transferring the cash out.
- Delay in responding to the complaint – Barclays said this was mainly due to the time taken for the transfer to complete. Barclays said it could've given Mr G a response to his complaint sooner, but it *'wanted to ensure no further issues were experienced'*.

Mr G wasn't satisfied with the response Barclays gave him. He referred his complaint to this service. He said Barclays hadn't resolved the problem quickly enough and he'd had to drive the process himself because Barclays didn't take ownership of the problem. He said this caused him stress over a period of seven months. Mr G mentioned he was a premier customer and he felt let down. He wanted at least £500 for the distress and inconvenience he said he experienced as a result of Barclays' mistake.

One of our Investigators looked into Mr G's complaint. Because Barclays had already upheld Mr G's complaint the Investigator needed only to consider whether the redress Barclays had paid Mr G was fair and reasonable in the circumstances. She said Barclays had taken several months to reverse its error. Because of the prolonged period Mr G was without his assets, the Investigator said Barclays should pay Mr G a total of £250 for distress and inconvenience – so an additional £100 on top of the £150 Barclays had already said it would pay.

Barclays said an additional £100 wasn't warranted. It accepted Mr G had had a poor experience. But Barclays said the majority of the delay in putting things right for Mr G had been caused by the third party which had delayed returning Mr G's cash. Barclays said it made nine contacts to make the transfer happen and had to submit several requests to the third party. Barclays said it actively tried to have Mr G's cash returned promptly and it felt that an additional £100 on the basis of the delay was unfair.

Because no agreement could be reached, this complaint was passed to me to review afresh and make a decision.

I issued a provisional decision in which I said I didn't intend to uphold the complaint. I said I thought Barclays had done enough to put things right for Mr G following its errors.

Neither Mr G nor Barclays added anything further in response to my provisional decision. I haven't departed from my provisional findings. So I've repeated them below as my final decision.

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.

Having done so, I'm not upholding the complaint. I'll explain why.

The question at issue is whether the payment of £150 from Barclays is enough to compensate Mr G for the distress and inconvenience he suffered as a result of the error Barclays made. I understand Mr G feels the payment wasn't enough because of the time taken to resolve the problem and because he feels Barclays failed to take responsibility which meant Mr G had to drive the process and so he suffered additional distress and inconvenience.

I agree with Mr G and our Investigator that the mistake by Barclays took a long time to be put right. Mr G became aware of the error in July 2022. And it wasn't until 4 January 2023 that Barclays bought back the shares it had wrongly sold in Mr G's ISA. And it was 9 February 2023 when Barclays issued its final response to his complaint and said it would also give Mr G a payment for the dividend he'd missed out on.

However, in paying Mr G £150 for distress and inconvenience Barclays took into account that there was a delay in resolving the complaint and that the process had caused Mr G stress. And having considered the duration and nature of the delay I think £150 is in line with the amount I would've looked to award if Barclays hadn't paid it already. In saying this I've taken into account that Mr G wasn't deprived of money he planned to use in that time, other than to have it invested inside his ISA – and Barclays has put that right by restoring the investment units to Mr G and paying him the dividend he missed. Mr G knew where the money was. It had been transferred to an account he held with the third party. And I think Mr G knew Barclays was arranging to have it returned and that Barclays intended to restore him to the position he would've been in were it not for the error. Although Barclays didn't make its formal response to his complaint until February 2023 I've seen that Barclays was in communication with him about its requests to the third party to have his cash returned. So I think Mr G knew Barclays was taking steps to put things right.

So I think that, whether or not Barclays was responsible for all of the delay in putting things right, £150 is a fair payment for distress and inconvenience in these circumstances.

In considering whether Barclays failed to take responsibility, I haven't seen any evidence that Barclays denied responsibility for the problem it caused Mr G. On the contrary, when it began its investigation in July 2022 Barclays began looking into how to put things right for Mr G. And ultimately it ensured Mr G ended up with the same number of shares in his ISA that he should've had, as well as the dividend he should've received – so Barclays put Mr G back in the position he would've been in had it not made the mistake it made. In these circumstances I don't think it's fair to say Barclays denied responsibility for the problem it had caused.

I'm also not satisfied I can fairly say Barclays failed to take ownership of the process of putting things right for Mr G. Soon after Mr G complained Barclays initiated the process of

putting things right. It requested the return of Mr G's cash from the third party. And made further requests as necessary until the cash was returned. And Barclays chased the third party for responses to its requests. Although retrieving Mr G's cash was not straightforward Barclays did continue to pursue it and the cash was eventually returned. I understand Barclays needed Mr G to participate in the process, but I haven't seen that it was left to Mr G to drive the process himself.

I do understand that the mistake by Barclays had an impact on Mr G. I recognise that Mr G was stressed and inconvenienced. But, taking everything into account, I think the payment of £150 from Barclays was fair and reasonable in the circumstances. So I'm not directing Barclays to do anything more.

My final decision

For the reasons I've set out above, my final decision is that I don't uphold Mr G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 22 February 2024.

Lucinda Puls
Ombudsman