

## **The complaint**

Mr E complains that Barclays Bank UK Plc delayed in transferring his ISA which caused him financial loss, distress and inconvenience.

## **What happened**

Mr E opened an ISA account with Barclays in February 2023 ready to transfer his existing ISA funds (held with another banking provider). Due to large volumes of ISA transfer requests, Barclays delayed in processing Mr E's transfer. Mr E was assured that interest would be backdated so that he didn't miss out. Barclays says it received a rejection notice from the existing ISA provider which delayed things.

On 19 April 2023, Mr E's ISA funds were applied to his Barclays ISA account and started earning interest from this point.

Mr E complained. Barclays offered him a total of £150 compensation to reflect the distress and inconvenience this matter caused him. Mr E referred his complaint to this service. Mr E advised Barclays he was unhappy with the offer and requested further detail on when interest would be back dated to. He advised due to a brain injury that he was not always able to recall information in writing.

Whilst the complaint was with this service, Barclays said it would backdate Mr E's interest from 9 March 2023 up to and including 18 April 2023 which is £358.88. It also offered a further £250 compensation to recognise the inconvenience, delay and poor experience caused to Mr E.

One of our Investigators looked into things and she felt the overall offer made by Barclays was fair and reasonable under the circumstances.

Mr E didn't agree and asked an Ombudsman to look into his complaint. He thought the lost interest would be paid to him now to avoid Barclays making an error at the end of the term when it calculates his interest. He says Barclays told him over the phone that the interest lost may be overlooked and if it is, he will have to complain again.

The complaint has therefore been passed to me for determination.

## **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 think the offer made by Barclays is fair and reasonable in the circumstances and I'll explain why.

Barclays had 15 working days to transfer Mr E's existing ISA to it. It didn't do so within this time, and it has acknowledged that this was due to high volumes of requests. Mr E's ISA was eventually transferred on 19 April 2023.

Barclays has recognised its error and compensated Mr E with interest covering the time the ISA was not earning interest (after 15 working days had passed). It calculated this to be £358.88. I think this compensates Mr E for his financial loss as Barclays were entitled 15 working days to transfer his ISA and has covered the period his account was not earning interest outside of this timescale. I acknowledge Mr E would like this to be paid directly to him now but the terms of his ISA state that interest will be paid at the end of the term – in this case in 2024. I appreciate Mr E has experienced poor service and doesn't have much faith in Barclays' assurances, especially as he says he was advised that this error *could* happen. But I've seen internal evidence from Barclays showing the interest accumulated on Mr E's ISA and it includes the adjustment of £358.88. I have no reason to doubt this won't be paid correctly at the end of the term as agreed and so I don't require Barclays to pay this to Mr E now.

In relation to the poor customer service Mr E experienced, I have no doubt he was caused unnecessary distress and inconvenience by Barclays. He called Barclays multiple times to chase his ISA transfer and clearly found the entire ordeal very stressful. This was also exacerbated because of Mr E's health condition – which Barclays had knowledge of. Barclays initially offered Mr E £150 compensation but it increased this offer by £250 following Mr E's complaint referral to this service. I think the total offer of £400 better compensates Mr E for the trouble and upset this matter has caused him. I think he was clearly impacted by Barclays delays and poor service.

### **My final decision**

My final decision is, I uphold this complaint and Barclays Bank UK Plc should:

- Pay Mr E £400 compensation for the distress and inconvenience this matter caused him. This should be paid directly to Mr E.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 17 November 2023.

Dolores Njemanze  
**Ombudsman**