

The complaint

S, a limited company complains about the way that Barclays Bank UK PLC managed its account.

Ms C, a director of S, brings this complaint on S's behalf.

What happened

Ms C is unhappy that Barclays didn't offer S financial advice to help maximise interest on the money held in its account.

Barclays responded to S's complaint about the lack of investment advice. Barclays apologised for the impact on Ms C's mental health and agreed that it could have provided a better service. Barclays would not reimburse any lost interest but it paid £150 compensation.

Ms C said that the absence of pension advice – which is part of Barclays wealth management service – resulted in a loss of pension payments which Ms C could have made to receive government rebates. Ms C says that since she opened S's business account, she could have offset pension contributions as company expenses, which in turn would have avoided corporation tax and increased her earnings.

Ms C says that at no point did Barclays advise her to open a personal bank account which would have entitled her to Barclays premier banking or wealth management service due to the balance in her account. Ms C says that after opening the personal bank account herself, she was unhappy with the lack of investment advice. Ms C says that the lack of support left her vulnerable to lost interest, scams, and fraud.

Ms C says that her experience of poor service with Barclays across her personal and business account has impacted her health, leading to lost work. She is now looking to close S due to interest losses and a particular scam on the account.

Our investigator didn't recommend that S's complaint be upheld. She didn't think that Barclays was responsible for any interest that S may have lost out on. Our investigator said that Barclays' wealth management service was for customers with £500,000 or more of investable assets and that S's bank balance has always been under £500,000.

Ms C disagrees with the investigation outcome. She says the bank balance did exceed £500,000 at times in 2021. Ms C says her complaint is a culmination of poor service by Barclays starting from March 2020 onwards.

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.

I realise that I have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules that govern our service allow me to do so. But this doesn't mean I have not considered everything that both parties have given to us.

Ms C asked our investigator to consider several complaints she has made to Barclays as they demonstrate a history of poor service offered to Ms C across the various platforms Barclays offers its' customers. I don't want to appear unhelpful but most of these complaints relate to Ms C as an individual customer. As S is a limited company and therefore its own legal entity, I need to consider the complaint as it relates to Barclays' handling of S's account, rather than any issues Ms C has had with her personal accounts. I also note that although our service is dealing with another complaint by S involving a scam, that complaint is being dealt with separately, so I haven't reflected anything about it in my decision.

I appreciate Ms C feels that Barclays should have been more proactive in offering investment support and that S should have had the support of a wealth manager. Barclays says that although S has access to a business relationship team it offers a reactive rather than proactive service which means it would be for Ms C on behalf of S to make contact rather than the other way around. I don't find this to be an unreasonable position for Barclays to take.

Ms C has provided letters that Barclays wrote to S in July 2021 and January 2022. The first letter explains that Barclays is changing S's relationship model to a more locally based team. And the second letter reminds S what support the team can give.

Although the letter from July 2021 says that the team may contact S, it also recommends that S save the team's number and use it to contact Barclays with any queries. So, I think the onus was on Ms C to contact Barclays on behalf of S if she needed support.

Barclays letter of January 2022 also refers to possible proactive contact but I don't think this means Barclays was obliged to make contact. Again, I think it was for S to call if business support was needed.

The letter of January 2022 also gives more detail about what support the relationship team can give. Barclays has told us that the relationship team does not offer financial advice and instead supports customers in a business capacity. Barclays' letter of January 2022 seems to confirm this as it gives examples of support which included shaping growth plans and cashflow management. So, even if the relationship team had contacted S, I can't see that this would have been to provide financial advice to S.

Although I can see that S's bank balance exceeded £500,000 at times in 2021 I don't have enough evidence to suggest that at this time, Ms C asked about Barclays' wealth management service. The first time I can see that Ms C mentioned the wealth team was in early 2023. At this point – and in the months prior to this – S's bank balance remained under £500,000. So, I don't consider it unreasonable for Barclays to say that S didn't have £500,000 or more in investable assets which would have meant it could be on-boarded as a wealth management client.

Barclays notes indicate that when Ms C spoke to wealth management in March 2023, she wanted pension advice before the end of the tax year so that she could maximise pension contributions in order to minimise corporation tax. Barclays explained to Ms C that it could not provide the full pension advice which she was seeking and suggested that Ms C speak with an independent financial adviser. I don't consider this was an unreasonable suggestion to make so I don't find that Barclays should compensate S for missing out on the opportunity to minimise its corporation tax liability.

Overall, I am not persuaded that Barclays has treated S unfairly in a way that means it should be required to pay more compensation than it has already paid.

My final decision

My final decision is that I don't uphold S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask S to accept or reject my decision before 27 February 2024.

Gemma Bowen
Ombudsman