

The complaint

Mr H held shares on Barclays Bank Plc's International Trader platform and this complaint concerns what happened to Mr H's holdings with Barclays after it closed that platform in 2017.

Whilst matters are now mostly resolved, Mr H is unhappy that he missed out on opportunities to sell the shares at a premium or take advantage of corporate actions due to delays.

Mr H also experienced a number of admitted poor service issues over the course of six years or so whilst matters were unresolved, including misinformation and poor communication by Barclays, and he remains concerned about the time and trouble he's been involved in trying to sort matters out.

So he expects Barclays to pay him appropriate redress to put things right.

What happened

The background facts are well known to the parties and Barclays has accepted there were significant shortcomings in the service it provided Mr H so I don't need to set things out at length here.

In very brief summary, Barclays wrote to affected customers in July 2017 advising that it was closing its Foreign Dealing Service and International Trader platform. Barclays told customers that it could transfer holdings to a named provider, if the customer agreed with the proposed migration.

Whilst Mr H was happy to liquidate all his holdings, it seems that two of his holdings were in share classes which Barclays couldn't trade or transfer to its Smart Investor platform. (I'll call these his 'EF' shares and his 'EG' shares and the parties will understand what I'm referring to). There was no longer anyone at Barclays Mr H could speak to about his international shares. He found himself unable to resolve the issues he faced with these particular holdings and Barclays seemed unable to offer him a solution.

There were ongoing issues throughout 2018 and the years following around Mr H having previously agreed in 2016 to take part in a corporate action and receive a special enhanced dividend, which required him to hold shares for at least two years - Barclays referred to these shares being 'locked', meaning the ownership of these shares couldn't change. This proved to be a complicating factor which Barclays didn't handle as well as it should've done and prompted Mr H to make a series of complaints to Barclays in 2018 and through to 2022.

He was also unhappy that his communications generally with Barclays were frustrated by the lack of any or any timely response, and he didn't feel that Barclays showed any real engagement regarding working towards a resolution of his situation. For example, when Mr H found out information from another broker about the possibility of conversion to another share class which could enable a transfer. Mr H has said no-one at Barclays ever told him this was possible.

This led to Barclays issuing various apologies and making redress payments in recognition of the way it had handled matters for Mr H.

Matters however continued to be unresolved, with Barclays paying Mr H further compensation to make up for its poor service and there were further complaint points arising from time to time in addition to the ongoing matter of the outstanding issues to do with the 'locked' shares.

Ultimately, dissatisfied with the lack of any resolution to his complaints and concerned about the way Barclays was handling things and the time it was taking to finalise matters, Mr H complained to this service.

Our investigator thought that whilst Barclays hadn't been responsible for all the delays Mr H had faced, Barclays hadn't provided the service and level of support Mr H was entitled to expect and so he upheld this complaint. In particular, our investigator said that Barclays had agreed to monitor the situation and provide progress updates, but didn't do this. He felt that had been unfair to Mr H and had Barclays kept in touch, it's likely the process of converting his shares could have started as early as January 2019, and been completed much sooner – possibly within three months. In the event, that process had taken around six years resulting in significant distress and inconvenience over this time that the investigator thought could have been avoided had Barclays handled things differently and better, as Mr H was entitled to expect.

Our investigator set out the steps he suggested Barclays should take to put Mr H as closely as possible into the position he would have been in, had Barclays handled matters as it should have done in the first place.

Mr H told us he accepted that the investigator's suggested way of dealing with redress reflected a reasonable approach, although his expectations of significant compensation were low as he says stocks moved around a lot in line with the specific sectors and government actions throughout the relevant period.

Barclays however has not responded to the investigator's recommended settlement proposals nor to a reminder chasing up a response, beyond apologising for the delay in getting back to us and promising a reply some time ago, which didn't materialise. The complaint came to me to decide. I issued a provisional decision.

What I said in my provisional decision

Here are some of the main things I said.

We offer an informal dispute resolution service and we focus on deciding whether a financial business has made any error or acted unfairly or unreasonably. We are impartial and we make our decisions based on a balance of probabilities.

The investigator set out a detailed account and analysis of events which I think fairly represents what happened here. And since Barclays hasn't said it disagrees with anything that the investigator said in his view letter, it appears that the background facts are not in dispute. So I don't feel I need to say any more about what happened.

Barclays has issued apologies to Mr H (and compensation payments) in respect of various complaints that have arisen during the course of its handling of matters relating to Mr H's EF and EG shares. The following is a very brief overview of some of the key issues that were particular flashpoints for Mr H:

- February 2018, after Mr H was not given the correct information about why his holdings weren't transferred
- March 2018, after Barclays had promised Mr H his fees would be waived for 6 months, then failed to do this
- November 2018, after Barclays had told Mr H that some stock could not be transferred but had originally been unable to explain why. This turned out to be the stock "locked" as part of a Corporate Event to allow for a bonus dividend payment and as a result could not be transferred, but Barclays said it was sorry it wasn't able to tell Mr H this sooner. It also accepted that poor communication and delays updating Mr H were '*...overarching themes*' and that it had taken longer than it should have done for Barclays to respond to Mr H's concerns
- October 2022, when Barclays upheld Mr H's complaints that he had received no communication regarding his foreign holdings, he'd been unable to establish a point of contact and communication for this account and there was delay transferring to a new broker. Barclays admitted to '*a lack of ownership and communication by ourselves in relation to your efforts to achieve a solution, as well as periods of poor response from internal departments within Barclays*'.

I find that Mr H was entitled to expect a better level of service from Barclays than he experienced. Shortcomings in Barclays' service, in particular the periods of delay when progress stalled and Mr H was left in the dark about what his options were and what Barclays was doing to either advance matters or find alternative routes to a resolution for him, were all part of the reason it took so long for matters to be finally concluded.

So I think it's fair to say that Barclays' handling of the situation resulted in Mr H not being able to sell his shares as soon as he could, which means it's fair and reasonable for me to make Barclays responsible for any financial loss this caused Mr H to suffer.

I need to decide if Barclays needs to do more and if so, how best Barclays can put things right. So this is the focus of my decision and I've thought carefully about how Barclays should provide redress for any investment or other financial loss Mr H might have suffered as well as compensation to reflect the extent and impact of Barclays' service failings on Mr H.

I've taken into account that Barclays has already made the following payments to Mr H by way of apology for its service failings:

£200 in February 2018

£100 in March 2018

£250 in November 2018

£300 in October 2022.

Our approach to redress is to put consumers into the position they would have been in, had the business not made any error or acted unfairly or unreasonably.

Thinking first about financial loss, the investigator suggested that Barclays should aim to put Mr H into the position he would have been in if his EF and EG shares had been sold in 2019. To be fair to both parties, the investigator suggested 1 April 2019 was a reasonable date to use for calculating potential loss as this was three months after the earliest date Barclays could and should have arranged for the holdings to be converted so that they could be sold.

I think that's a reasonable approach, Barclays hasn't disagreed and Mr H is happy with this, although he recognises that until Barclays works out the figures, it's unclear whether he has suffered any investment loss.

Fair compensation also needs to properly reflect the impact on Mr H of Barclays' service failings. I'm mindful that Mr H experienced problems for almost six years, and Barclays admits it missed numerous opportunities to help him, it didn't always get back to him when it said it would and it didn't always give him accurate information.

Mr H has frequently referred to having to spend a lot of time over a very long period trying to get a resolution to the situation and it's evident from much of his correspondence, including to Barclays, just how trying he found his dealings with Barclays. In his complaint submission to us he described this as '*... an extremely long saga with Barclays*' and told us he had '*...spent hundreds of hours trying to find a resolution and be able to gain access to my funds*'. He was concerned at having missed out on being able to access his funds when he wanted to take advantage of trading opportunities and mentioned in particular, having been unable to benefit from attractive corporate actions on the shares. So I can understand why he would have been frustrated at not being able to manage his investments over a prolonged period. And looked at overall, given the value of his holdings and the evident difficulties of the position he found himself in, through no fault of his own, I don't doubt this was an extremely stressful time for Mr H, made worse by the way Barclays dealt with matters.

I think Barclays has gone some way towards providing appropriate redress but I don't think the amounts paid so far are enough to fairly and reasonably redress the full impact on Mr H of its service failings on this occasion.

I consider that the additional £400 suggested by the investigator matches the level of award I would make in these circumstances had it not already been proposed. I don't doubt that Barclays' poor handling of matters caused Mr H significant distress and inconvenience over many years.

I am satisfied that total compensation of £1,250 is fair compensation for Mr H in his particular circumstances.

Barclays didn't disagree with this figure when it was proposed by the investigator.

Looked at overall, I am satisfied that it's fair to require Barclays to take the steps set out by the investigator to put things right.

What the parties said in response to my provisional decision

Mr H agreed with my provisional decision.

I heard nothing further from Barclays and the deadline for responses has now passed so I think it's reasonable for me to proceed with my review of this complaint.

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.

As no further comments have been received in response to my provisional decision that change what I think about this case, I still think it's fair to uphold this complaint and award the redress I proposed for the reasons I explained in my provisional decision.

Putting things right

Barclays should do the following calculation and work out:

(A) The value of Mr H's EF and EG shareholdings, as if they'd been sold on 1 April 2019 plus 8% simple interest per year on this value from 1 April 2019 to the date they were sold. (I'll call this the 'fair value').

It seems Mr H had a specific type of share so ideally any calculation should reflect this. But otherwise, if that's not possible, then I think it would be reasonable for Barclays to base its calculations on the ordinary share price).

(B) The value Mr H received from the sale of his EF and EG shares. (I'll call this the 'actual value').

Barclays should then pay redress as follows:

If the fair value exceeds the actual value, Barclays should pay this amount to Mr H, adding 8% simple interest per year from the date of the sale of the shares to the date of settlement.

If the actual value exceeds the fair value, then Mr H has suffered no financial loss and Barclays is not required to pay Mr H anything further under this part of my decision.

Barclays should set out its workings in a clear and understandable format and provide this information to Mr H showing how it reached the figures it arrives at.

(C) Barclays should pay Mr H a further £400 (on top of the redress paid already) to reflect the distress and inconvenience he's experienced.

My final decision

I uphold this complaint and Barclays Bank Plc should take the steps set out above to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 December 2023.

Susan Webb
Ombudsman