

The complaint

Ms H complains about the way Barclays Bank UK PLC has dealt with her request to receive shares she inherited from her mother. Her concerns relate to the level of service she has received from Barclays whilst trying to open a Smart Investor (SI) account in her own name in order to receive the shares.

What happened

Sadly, Ms H's mother passed away. Ms H is both an executor for the estate and a beneficiary of assets held within it. This included shares which were held by her late mother in a Barclays account. Since 2019, Ms H has been attempting to obtain the shares she was due to inherit. Barclays suggested she needed to open an SI account in her name to receive them. But due to her previous experience of dealing with Barclays she was not prepared to do this. But reluctantly in 2022 she did make attempts to open an account, which proved unsuccessful.

In September 2022, she raised a complaint with the CEO of Barclays. This covered Barclays handling of the estate's requests. But Ms H also raised concerns about how she has been treated in her personal capacity by Barclays – specifically about the failed opening of a SI account. She said she had spent time visiting a branch and, on the telephone, trying to get an account opened but said it was impossible. She was upset that she didn't get a reply to the letter she sent to the CEO, so continued to chase. She later found out Barclays had written to her, but to an old email address. Ms H was concerned Barclays was using an email address that's she hadn't given permission for it to continue using.

In November 2022, Barclays provided its response to the complaint. Within the response it covered the issues she has raised in her personal capacity about the failed opening of the SI account. In summary Barclays said:

- It acknowledges Ms H had suffered an unsuccessful branch visit. It apologised for the time she spent attempting to try to open the account and said it understood this will have been very frustrating.
- Most of the time the process can be completed online but there are times where it needs additional information. It was trying to reduce any additional effort for Ms H but was sorry this turned out not to be the case.
- It couldn't open Ms H's previously closed account as this was an ISA – and needed a new SI account to be opened to transfer the stock.

Ms H didn't accept what Barclays said and referred the complaint to this service for an independent review.

One of our investigators looked into the complaint. She found:

- Barclays insisted on Ms H opening a SI account in order to have the shares transferred to her directly. She resisted opening the account for some time but eventually agreed. When applying she experienced issues – including:
 - Spending considerable time gathering documents.

- Visiting a Barclays branch, where she spent hours trying to open the account but in the end was unable to do so.
- Ms H followed Barclays's instructions to open the account but was unable to do so due to system errors on Barclay's part.
- Throughout the process of trying to open the account, Ms H experienced a great deal of stress and inconvenience and loss of time.
- Overall, the service provided by Barclays was poor and disappointing bearing in mind that this has already been a very difficult time for Ms H, having lost her mother and then dealing with the settlement of the estate.
- Barclays should pay Ms H £350 for the distress and inconvenience caused to her.

Ms H responded to say the issues relating to the transfer of shares still remains unresolved. She also said she continues to receive unwanted and unauthorised "spamming" on her old email address from Barclays – which was the one it used without authorisation to communicate about the failed opening of the account.

Barclays didn't respond to confirm it would pay the compensation recommended. As the complaint remained unresolved, it was escalated to an ombudsman for a decision to be made.

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 explained, Ms H is involved in a separate complaint bought by her mother's estate. To be clear, I won't be considering anything to do with this complaint or the problems the estate has encountered in transferring assets. My decision will focus solely on issues brought in her personal capacity in relation to the failed opening SI account.

For clarity, I think it is worth covering that I find Ms H is eligible to bring a complaint about the issue to do with the failed opening of a SI account to this service. I find she is an eligible complainant under our rules as she meets the requirements set out. Firstly, she is a consumer, and secondly, she is a potential customer of Barclays because she was attempting to open an account with it.

As Barclays hasn't engaged with the complaint, I've had to reach a decision without any responses or submissions provided on its behalf. But I have been able to gain an understanding of what happened through the evidence and submissions Ms H has provided.

It is clear there were problems in opening an account. Ms H has explained that her previous bad experiences of dealing with Barclays meant in 2018 she closed an account she held. So, when it was insisted she needed to open a new SI account by Barclays, she was very reluctant to do this. But ultimately, she agreed to start the application process based on advice provided by Barclays that this was required to receive the shares she was due to inherit. But unfortunately, this process caused her considerable distress and inconvenience.

It is unclear to me why Barclays wasn't able to open an account for her. Its response to the complaint suggests there were 'various reasons' why an account wasn't opened – but no detail beyond this was given. Barclays appears to accept Ms H was told to visit a branch, but this led to her wasting a considerable amount of time dealing with staff who failed to resolve the issue for her. Ms H's understanding of this was that there were process issues on Barclays side rather than anything she had failed to do. I haven't seen evidence there was anything Ms H did (or didn't do) to prevent the account opening. So, my finding is that the failure lies with Barclays.

I've looked at the impact this had on Ms H. As I explained above, in deciding this complaint I'm not considering the issues and impact of Barclays's actions on Ms H in her role as an executor of her mother's estate, I'm only considering the impact of Barclays's handling of her account opening. Notwithstanding this, I recognise there has been considerable impact on Ms H.

Ms H has explained that the application process has caused her a lot of upset. The context of which is important as she had been very reluctant to open an account with Barclays, and she had been involved in a prolonged dialogue attempting to transfer shares from her mother's estate. She explained the experience was very stressful and time-consuming. She was also caused upset when email correspondence was being sent to an old address she hadn't authorised to be used. She says Barclays habitually fails to reply, respond or explain – causing upset and frustration.

Having considered the evidence available, I find Barclays is required to pay Ms H compensation for the distress and inconvenience she as suffered as a result of the way it handled the failed account opening. The investigator recommended Barclays pay £350. I agree this is a fair and reasonable amount of compensation in light of the impact Ms H has suffered. So, I find Barclays needs to pay this amount.

My final decision

I uphold this complaint and require Barclays Bank UK PLC to pay Ms H £350.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 22 April 2024.

Daniel Little
Ombudsman