

The complaint

Mr R complains that Barclays Bank UK PLC delayed in transferring his ISA to his new provider.

What happened

In December 2023, Mr R sent to P, his new provider, an ISA transfer request form. P received that request on 21 December, and on 29 December sent that request to Barclays. It says it didn't receive that request until 9 January, but processed the request on 10 January. The funds reached Mr R's new ISA on 18 January.

On 17 January Mr R contacted Barclays through its chat line. He was told, wrongly, that the reason for the delay was because his signature didn't match. Then he was told that it held no signature for Mr R on his ISA account and that this may have caused some delays. Barclays has admitted that this information was incorrect and offered £50 compensation. It also said it would provide feedback to its representatives.

With regard to the ISA transfer, Barclays said that it completed this within the time allowed under HMRC guidelines. It paid Mr R the interest that he would've accrued on his funds whilst the transfer process was taking place, calculated from the date of maturity of his ISA until the date the funds were released to P.

On referral to the Financial Ombudsman Service, our Investigator said that Barclays had complied with the transfer request within the guidelines. And that it had offered reasonable compensation for the wrong information given to him on its chat line.

Mr R disagreed, pointing out that P had shown him the letter it sent to Barclays requesting the transfer, which was dated 29 December 2023. He said that Barclays didn't complete the transfer until 18 January, outside of the guidelines.

The matter was referred to me for an Ombudsman's consideration. I requested that Barclays provide a copy of the letter received from P, date stamped for its receipt by it. It has provided the copy letter.

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.

HMRC's guidelines for the transfer of an ISA state that the old ISA provider (Barclays) has five business days in which to send the funds and any relevant information to the new ISA provider. And that the new ISA provider has three business days to apply the funds to the new ISA account. Barclays says that it received the letter from P dated 29 December 2023, on 9 January 2024. It has provided us with a copy of the letter date stamped as received on 9 January. As the letter was sent by post, I can't account for why it took so long to reach Barclays.

The funds were credited to Mr R's new ISA account with P on 18 January. In total the funds should have reached the new account within eight business days of 9 January, which they did. Additionally, as set out above Barclays paid Mr R the interest on his old ISA for the period during which the transfer took place so he hasn't lost out on interest. I think that Barclays acted fairly in this respect.

As regards the information given to Mr R in the chatline, I understand that this was wrong and would've caused Mr R some anxiety. But, given that the transfer of funds was completed on the next day, I think that the offer of £50 compensation was reasonable.

My final decision

Barclays has already made an offer to pay £50 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Barclays Bank UK PLC should pay £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 15 October 2024.

Ray Lawley
Ombudsman