

The complaint

Mr N complains that Barclays Bank Plc trading as Barclays Wealth took too long to complete the transfer of his portfolio to a new provider. He feels the transfer was poorly handled, creating various delays, with the primary concern in terms of loss being the length of time the proceeds of sales made within the portfolios took to be transferred onward for reinvestment.

He also highlighted several other categories of loss – of interest/dividends, distress and inconvenience, time spent in bringing the complaints, fees earned by Barclays during the period in question and interest generally on losses.

(Mr N has been represented in bringing his complaint but for ease of reading I have referred only to him throughout.)

What happened

The transfer was instigated in conjunction with several similar, linked transfers held in different names (about which separate complaints have been made and considered by this service). The transfers were initially discussed with Barclays in December 2022 but didn't all complete until June 2023, although the time lines for each varied.

Mr N complained to Barclays as set out above, but it didn't uphold the complaint. It felt it had completed his transfer within a reasonable timeframe, albeit slightly increased from normal due to exceptional demand on its service at the time. It said this was because of an unprecedented event, meaning a significantly higher number of transfer requests were received in a short space of time.

Mr N didn't accept Barclays' response and the complaint was referred to this service. It was initially upheld by an investigator, who suggested compensation be paid. But the investigator didn't agree with the method for calculating potential investment loss that the trustees had suggested.

The matter was therefore referred to me to review.

I shared my provisional thoughts on the matter with Mr N. I explained that I'd considered all the available evidence and arguments to decide what was fair and reasonable in the circumstances of the complaint. Having done so, while I also agreed the complaint should be upheld, my view both on the merits and regarding compensation differed from the investigator's view.

I said I appreciated that the transfer process had been lengthy and frustrating. But, looking closely at the chronology of events, it appeared that for various reasons full and complete instructions to transfer weren't received by Barclays until around 10 March 2023. While the process had clearly been instigated by new provider earlier, there had been an issue with Mr N's passport number and there'd also been a change from in-specie transfer to cash, although I recognised that was prompted by the new provider in response to what it knew of Barclays' resourcing issues.

I said while I could appreciate how on the face of it the time taken to transfer the holdings appeared lengthy, it had generally been in line with Barclays' normal timescale of 37 days for this type of transfer.

But that said, I felt there had been one excessive delay in transferring the sale proceeds relating to around £60,000 of sales from the portfolio made on 15 March 2023. Those proceeds weren't transferred to the new provider until 11 May 2023. For these monies I thought it was reasonable for Barclays to compensate Mr N in respect of potential lost investment return. In terms of determining a relevant period, I thought it was reasonable to use 15 April 2023 as a reasonable estimate of when the transfer should've completed. Mr N had suggested using the performance of the MSCI World Index as an appropriate benchmark for determining investment loss, which although not this service's usual benchmark for such circumstances, I felt was reasonable.

In respect of the other categories of loss he'd raised, I didn't feel any award should be made in respect of interests/dividends or fees. I also wouldn't make an award for time in bringing the complaint, in line with our usual approach.

But I did feel that Barclays generally hadn't covered itself in glory. I felt a payment to reflect the distress and inconvenience caused by its various failures of communication, both during the transfer process and in responding to the complaint would be reasonable. So, I proposed that Barclays pay Mr N £400 for the distress and inconvenience caused. In doing so, I noted his circumstances and the part the monies played in his retirement planning. The award was also intended to acknowledge in a pragmatic manner the issues of dividends/interest and fees for the month period.

Mr N initially didn't accept my provisional findings. He questioned various aspects, in brief, suggesting that no holdings should've been encashed until Barclays was ready to transfer and it should've been more conscious of the market turmoil at the time. He made a comparison with a related transfer that had been carried out more quickly and questioned the 37-day transfer period Barclays had quoted. He also felt Barclays should've been better prepared for the 'unprecedented' circumstances and not been under-resourced.

I responded to say that I didn't think it was reasonable to expect any business to always remain resourced such that there'd be no variation in service level. I said I was satisfied the 37-day time limit was Barclays usual service level and was in general keeping with the industry standard for this type of transfer. I also didn't think it was reasonable for the quickest of any given group of transfers to necessarily form the benchmark by which they should all be judged.

Following this further correspondence, Mr N accepted my provisional findings. Barclays, while also accepting of my conclusions, requested that final decisions relating to all the linked cases be issued.

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 remain of the view that the complaint should be upheld, for the reasons given.

Putting things right

Barclays should determine what investment return would've been achieved by the sum

generated from the sales of 15 March 2023 on Mr N's portfolio if the sum had been invested in line with the MSCI World Index for the period between 15 April 2023 and 11 May 2023. Assuming this shows a positive result, that investment return should be paid to Mr N, plus interest at 8% simple from 11 May 2023 to date of settlement.

Barclays should also pay Mr N £400 for the distress and inconvenience caused by the delay in transferring part of his holding.

Barclays must pay the compensation within 28 days of the date on which we tell it Mr N accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% simple.

My final decision

My final decision is that the complaint should be upheld, and compensation paid to Mr N by Barclays Bank Plc trading as Barclays Wealth as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 7 April 2025.

James Harris
Ombudsman