

The complaint

Mrs E complains about how Barclays Bank UK PLC (Barclays) dealt with an ISA account transfer in, and an ISA account transfer out. As a result, Mrs E says she lost credit interest and was caused inconvenience and stress.

What happened

In early 2023, Mrs E decided to transfer her cash ISA with another provider, who I'll refer to as B, to Barclays. This was processed in accordance with her wishes and deposited into a one-year fixed interest ISA account with Barclays.

In readiness for the maturity, Mrs E organised to transfer the proceeds from Barclays to a different ISA provider who I'll call C and again, this was processed but there were issues with the maturity form and it's processing. The incorrect maturity date had been marked on the form which Barclays did not pick up on and as result, Mrs E lost credit interest.

Soon after, as a result of what had happened, Mrs E logged a complaint with Barclays also mentioning that she felt she did not receive the correct amount of maturity interest, and had received a statement from them that showed no credit interest.

Barclays investigated the complaint and issued a final response letter. In it, they said the statement was simply an annual statement and not a maturity statement so it was correct in that it showed no interest. Barclays also said that Mrs E did receive the correct amount of maturity interest as whilst the account did start on a certain date, the actual funds that arrived from B were credited several days later. In terms of the transfer out to C, Barclays confirmed there were errors made by them with the transfer form so they refunded the loss of interest of £268.58 although they did deduct interest of £81.78 that had already been paid. Barclays also credited £50 as compensation.

Mrs E wasn't happy with Barclays response and contacted them again with more information, asking them to reopen the complaint which they did. After another investigation, they reiterated the points they made in their previous letter. But addressed a delay in the transfer from B, calculating they owed Mrs E £44.76 in interest which they credited to her. Barclays also credited £150 *in total* to compensate Mrs E for the stress caused.

Mrs E was not satisfied with this and brought the complaint to our service. Our investigator liaised with Barclays who responded by writing to our service. They acknowledged what had happened and that they had refunded to date a total of £231.56 (£268.58 - £81.78 + £44.76) interest and awarded £150 compensation. In prompt resolution of the complaint, Barclays asked to make a proactive offer of an additional £250.

Our investigator wrote to Mrs E with details of what Barclays had said and offered, but Mrs E stipulated that the compensation figure should be £500. Barclays rejected this so our investigator completed a full investigation. They said they wouldn't be asking Barclays to do anything further as both the interest and compensation figures were more than sufficient for the complaint.

Remaining unhappy, Mrs E requested an ombudsman review her 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.

I have looked at the information Barclays has supplied to see if it has acted within its terms and conditions and to see if it has treated Mrs E fairly.

If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach.

It is always regrettable when we see a relatively simple process like transferring ISAs result in a longer, protracted experience. I sympathise with Mrs E for the frustration she experienced. It's our role to identify if a business has made a mistake and if so, look at the impact this has had on the consumer. One aspect I do need to note is that this service cannot address any concerns that Mrs E may have about C unless she raises a separate complaint with them.

What's not in question is that errors were made by Barclays; specifically, the delay of the transfer to them, and the issues with the transfer form for the transfer from them. I'm pleased to see that within Barclays's apologies and the actions they took, they treated Mrs E fairly.

In terms of what happened to the ISA, before and after it was with Barclays, I see no need to go through those events again, for two reasons. Firstly, both parties are familiar with them, and from reading the correspondence sent to this service from Mrs E around the time of, and after our investigator's view, it seems clear that the compensation element of the complaint is now the priority.

Turning to compensation, I'm aware that Mrs E feels strongly that a total figure of £500 would be commensurate with what has happened, and the time she has had to invest, and also commenting that as a multi-national bank, Barclays can afford it. I do need to make clear that in terms of compensation, this service does not look at the profitability of a company in our calculations.

I have been in contact with Barclays as I did want to take this opportunity to clarify the compensation that has been offered to date. Aside from the interest figure, the compensation total stands at £400. This comprises the initial £50 that Barclays credited, their increase of that *up to* £150, and their later offer of an additional £250 after the complaint was referred to this service.

I acknowledge that Barclays' actions resulted in an impact to Mrs E causing distress, inconvenience, and disappointment. Looking through the lenses of fairness and reasonability, and in line with our own service's guidelines, I find that Barclays' current offer of a total of £400 is appropriate, therefore it would not be fair to ask Barclays to do anything further.

My final decision

For the reasons I have given it is my final decision that the complaint is upheld. I require Barclays Bank UK PLC to pay Mrs E a total of £400, less any payments made to her already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or

reject my decision before 23 December 2024.

Chris Blamires
Ombudsman