

The complaint

Mr K complains about the way Barclays Bank Plc handled the transfer of his stocks and shares ISA. He says delays in completing the transfer caused him a financial loss and he lost the opportunity to benefit from the growth on his investments.

What happened

I won't provide a detailed background to the circumstances that led to the complaint as this is well known to the parties, and our investigator set this out in detail in her assessment.

But in summary, in August 2024, Mr K, started the process of transferring his investment to Barclays from his existing ISA manager. The transfer was to be completed in-specie, but there were issues that meant some of the assets couldn't be transferred to Barclays, so would need to be liquidated and transferred as cash. As the transfer involved both UK and US assets, it took longer than a standard transfer. The UK assets (apart from one) were transferred by the end of October 2024, but it took till the end of January 2025 for all of the US stock and cash to be transferred.

In November 2024, Mr K raised a complaint with Barclays about delays in the transfer.

Barclays responded to the complaint. It admitted it had made some errors and paid Mr K £250 in compensation. In summary it said it did fail to respond to Trade and Settlement (T&S) dates given by the existing ISA manager and this caused delays. It apologised for this.

Mr K didn't think the offer adequately compensated him, so referred his complaint to this service for an independent review.

One of our investigators looked into the complaint. She thought it should be upheld. In summary she said:

- The transfer of Mr K's UK assets was completed within a reasonable time.
- There were delays in transferring one of the US stocks, as it was rejected due to the incorrect number of units being instructed by Barclays. Barclays is responsible for causing delays by failing to correspond about the T&S dates within a reasonable timescale, which caused a delay in transferring Mr K's assets.
- Mr K hasn't been financially impacted due to the delays where the assets were transferred in-specie.
- Barclays could not accept some of Mr K's assets which resulted in him liquidating these shares for them to be transferred in cash after the in-specie transfer of the other assets had been completed. Mr K's cash was transferred after the last US shares were transferred in late January 2025. Barclays is responsible for delaying the transfer, and prevented the cash being invested sooner by Mr K, causing him to miss out on reinvestment.
- The investigator found that Mr K's cash payment could have been transferred and re-invested by 19 November 2024. She required Barclays to calculate his loss based on the cash being invested on 19 November in a similar fund to that which it was sold from when the transfer was initiated and comparing this to the reinvestment he did

- make when the cash was received.
- She also found the offer of £250 for the distress and inconvenience Mr K had suffered was fair.

Barclays didn't agree with the outcome and requested an ombudsman reaches a decision. In summary it said:

- It acknowledges it contributed to the delays in the transfer completing, but there is no evidence to suggest Mr K wanted to trade on the cash he was transferring. It doesn't think there is a clear intention to trade during the duration of the transfer.
- Had Mr K made it aware he was looking to trade, it could've asked the sending ISA manager to send the cash whilst the in-specie transfer was ongoing, which would have enabled him to invest. He could have also contacted the other ISA manager and requested it sends the cash.
- Mr K advised this service his intention was to invest his cash into a Technology Index, but he actually purchased a FTSE 100 Index with the cash that came over. So this doesn't constitute a clear intention.

Mr K also provided some further submissions. In summary he said:

- During his multiple phone calls with Barclays requesting updates on the ISA transfer, he explicitly communicated his intention to place trades. He says he was informed that doing so would further delay the transfer.
- He provided clarification on Barclays' point about him ultimately purchasing a FTSE tracker fund, suggesting this undermines his stated intention to invest in a technology fund. Due to the delays in the transfer, his actual purchase decision reflected the market conditions at that time. This change in investment strategy over the four-plus months of delay is both reasonable and expected.
- Barclays suggests that alternative options were available, such as initiating a cash transfer while stocks were in transit. However, none of these options were ever presented during any of the numerous phone calls or messages exchanged with Barclays over several months.
- Barclays failed in its duty of care by providing inadequate communication, poor transparency, and no meaningful accountability throughout the delay.

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.

The crux of this complaint relates to delays in the transfer of Mr K's ISA to Barclays and the impact of the delays it is responsible for. Barclays has admitted that it was responsible for causing some delays. So, it's accepted that the transfer should have completed sooner. It has also offered compensation for the distress and inconvenience Mr K has suffered as a result of its handling of the transfer. What is in dispute is the impact of the delays and whether Barclays is responsible for causing Mr K a financial loss.

The original transfer was to be completed on an in-specie basis. So, this indicates Mr K intended to hold these assets when his ISA was being transferred to Barclays and wasn't looking to dispose of investments to explore other opportunities. While there were delays in the transferring assets in-specie between the ISA managers, I don't find Mr K has suffered a financial loss as result the delays in this situation. His investments were still in the market, and he has been able to benefit from any growth achieve from these assets.

But as Barclays couldn't accept some of the assets he held, Mr K was asked whether he wanted to agree for these assets to be sold down and transferred as cash (rather than be excluded from the transfer). Mr K did agree to this with Barclays in August 2024, and the conversion to cash was completed on 9 September 2024. But as result of the time taken to complete the transfer, Mr K's cash payments weren't received within his Barclays ISA until the process completed at the end of January 2025.

The investigator has suggested a date on 19 November 2024 for when the transfer could have completed but for delays Barclays caused. While Barclays has said the other party also caused delays, it hasn't provided further evidence to dispute the date suggested by the investigator for when the transfer could have been completed. Based on the evidence I've seen – this does seem a reasonable assumption for when the transfer could have been completed, but for the errors Barclays made.

The key element of the complaint that remains in dispute relates to whether Barclays is responsible for any losses Mr K has suffered as a result of the delays – specifically due to him being unable to benefit from investment growth on the cash balances that remained in his ISA when the transfer process was delayed.

Mr K says he has lost out as he was unable to re-invest the cash payments while the transfer remained incomplete and has claimed a financial loss as a result. Barclays doesn't agree there is evidence to suggest Mr K wanted to trade on the cash he was transferring to it and would have helped him if it was aware. I acknowledge Barclays' point that it would have requested the cash to invest if it was aware Mr K wanted to invest. But Mr K disagrees and says he did make Barclays aware during the phone calls and messages he sent chasing updates on the transfer. He says he did inform Barclays he was looking to invest but was told this would further delay the transfer.

When considering the actions he would have taken, I think it is reasonable to say Mr K was expecting the transfer to complete sooner and was raising concerns with Barclays about the length of time. This culminated in him making a complaint in November 2024. In the situation where it wasn't made clear to him how long the transfer would take, I don't think it is reasonable here to place the onus on Mr K to request the cash funds be transferred, especially when he wasn't given any understanding of how much longer the transfer would take.

I think the balance of evidence does suggest he was looking to reinvest as soon as the cash was transferred. The cash had come from sold down funds, so not cash he had previously been holding. On balance, I think it likely he did want to reinvest rather than hold cash assets. Indeed, this is what he did as soon as he received it in his Barclays ISA. So, my finding is that Barclays is responsible for any loss Mr K has suffered as a result of his liquidated cash funds not being invested sooner because of the delayed transfer.

It isn't clear precisely where Mr K would have invested. As part of our investigation, he told us he would likely have invested in a technology fund as this is where the money came from originally. But he actually ended up investing in a FTSE tracker fund when the cash was received in January 2025. Mr K has explained that the reason for this change was due to the delays in the transfer. He says the actual purchase decision reflected the market conditions at the time he received the money, and this change in strategy over the months of delay is expected.

While, Barclays has said this change suggests Mr K's intentions weren't clear, when considering the delays, I find his explanation is reasonable in the circumstances. As several months had passed, I think it is foreseeable that he might reassess the areas for investment.

So, it isn't a complete surprise that when the money came back much later than he first anticipated, his investment decision reflected his view of the market at the time.

As mentioned above, it is difficult without hindsight to know exactly where Mr K would have invested if he had access to his funds earlier. I think it is reasonable to complete the loss calculation using the FTSE tracker fund he went in to. In my view, he would have invested in a tracker fund of some type as this does appear to be where he held a reasonable proportion of his funds previously. So, despite the change from technology to FTSE, I still think for the purpose of deciding fair redress Barclays should compare Mr K's position with where he would be now if his cash was invested sooner in the FTSE tracker fund.

Lastly, I also find the offer of £250 Barclays paid Mr K for the distress and inconvenience he suffered to be fair and reasonable in the circumstances. It is clear the delays caused him frustration and required him to spend time chasing things up. So I think a payment at this level reflects the impact of this on him. As this has already been paid, I don't think any further compensation in this respect is due.

Putting things right

I've considered what Barclays needs to do to put things right.

Mr K has claimed losses on the growth of his ISA due to the delay in the transfer.

When the cash funds were received, they were invested in a FTSE 100 Index fund.

From the evidence provided, I find that there was an avoidable delay, which Barclays is responsible for, and the re-investment of the cash transferred could have occurred on 19 November 2024, but for the delay. So, Barclays needs to calculate whether Mr K has suffered a loss as a result of this delay.

To do this:

- Barclays should compare the position Mr K would be in if the cash transferred had been invested on 19 November 2024.
- Barclays should determine the value of units the reinvestment of the cash proceeds would have bought if the investment had completed on 19 November 2024 and if that number is greater than the number of units Mr K did purchase, it should pay him an amount in cash equivalent to the current purchase price of the additional units.
- Barclays needs to confirm it is able to credit any loss to Mr K's ISA as a restitution payment. Doing so will ensure the sum will be retained within the ISA wrapper.

My final decision

My final decision is that I uphold Mr K's complaint, and I direct Barclays Bank Plc to pay the compensation set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 8 January 2026.

Daniel Little
Ombudsman