

The complaint

Mr S complains that Barclays Bank PLC closed its Plan & Invest service. He says he was forced to sell all his funds before he wanted to, and that there was a delay in the sales taking place. He wants Barclays to reimburse his financial loss and to pay him “*high four digit number compensation*” for the distress and inconvenience caused.

What happened

Mr S invested in Barclays’ Plan & Invest service (“P&I”) in or around 2020. This was a discretionary managed portfolio with investment in regulated investment funds and exchange traded funds. Mr S opened an investment account and an ISA account. He told us that Barclays advertised this as a long-term investment, and he planned to hold it for 10 to 15 years.

In September 2024, Barclays gave Mr S notice that it was closing the service in November.

Barclays gave Mr S options to transfer the investments and cash in his P&I to its execution only Barclays Smart Investor account, to transfer to a new provider, or to sell his investments and withdraw the cash proceeds (or, in the case of the ISA, transfer the cash to a cash ISA account).

Mr S wanted to transfer both accounts to the Smart Investor service. But he was then told some of the funds he held couldn’t be transferred. He says he wasn’t given notice that this might be the case, and he was put under time pressure to give instructions, so he decided to sell all his funds.

He says he gave instructions to sell his investments on 17 October but that the sales didn’t take place until 25 October, during which time the values dropped.

When he complained, Mr S also said that Barclays hadn’t sent him a statement when he’d asked for one and that his last regular payment to his ISA had been wrongly applied to his investment account.

Barclays said it had the right to cancel, suspend or change the service at any time and that, whilst it recognised Mr S’s frustration, it had given him 60 days’ notice and set out his options. It didn’t agree that it had forced Mr S to sell his investments.

It apologised that it hadn’t sent him a statement when he asked for one, and that his last regular payment was wrongly applied. It paid him £250 compensation.

Our investigator didn’t recommend that the complaint should be upheld. She thought Barclays had acted in line with its terms and conditions and she thought the sales had been carried out within Barclays’ usual timeframe. She concluded that the payment of £250 for the mistakes Barclays had made, was fair and reasonable.

Mr S didn’t agree. He said, in summary, that:

- The P&I was mis-sold to him – Barclays said it was an investment that should be kept for the long term, but it closed it after three years.
- Only four or five of his funds were eligible to transfer to a Smart Investor account. Barclays had purchased them but wouldn't allow him to keep them in an account held with it.
- Barclays didn't allow him to part transfer, so he was forced into selling all his funds.
- The £250 distress and inconvenience payment was for the problem with the regular payment; he should be compensated for the distress caused by the closure.
- Barclays should've sold his investments within a day or two of him providing instructions.

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.

Barclays, like all businesses, will regularly review its accounts and products and may make changes for commercial reasons. In 2024 it decided to close all its P&I accounts. I'm satisfied that, when Mr S opened the accounts in 2020, Barclays hadn't made the decision to close the service and anticipated it would continue for many years – and for the “*five or more*” years it described as being the recommended minimum investment timeframe. For this reason, I don't find Barclays did anything wrong in allowing Mr S to open the accounts, or that they were mis-sold to him.

I fully appreciate it was frustrating for Mr S to learn his accounts would be closed when he intended to hold them for at least five years, and probably longer. And that he'd hoped his investments would grow over this longer term. But Barclays is entitled to make commercial decisions about their products, and my role is to ensure it treated Mr S fairly when it communicated its decision to him.

The P&I terms and conditions say that Barclays can make changes, including to “*close or replace Plan & Invest*” but that it will give 30 days' notice of any change. In this case, it gave Mr S 60 days' notice that his account would be closing, so I'm satisfied it gave him enough time to make alternative arrangements.

I find Barclays set out Mr S's options reasonably clearly. Mr S wanted to transfer his investments to Barclays' Smart Investor service. But when he contacted Barclays on 14 October to give those instructions, he was told that some of the investments couldn't be held in a Smart Investor account. I appreciate this was frustrating for Mr S. But some of the classes of units held within the P&I service, in the name of the discretionary investment manager, weren't available to retail clients, trading in their own name in the Smart Investor service. Barclays emailed him on the same day to tell him:

- the funds that could be transferred and would be fully tradeable;
- the funds that could be transferred but could only then be sold;
- the funds that would need to be sold, or transferred to another provider.

Mr S says he was forced into selling all of his funds. I don't agree. I'm satisfied he was given the option to part-transfer. I find Mr S phoned Barclays on 15 October and instructed it to transfer all eligible funds and sell the rest. He phoned again on 17 October with revised instructions – to only transfer the fully tradeable funds and sell the rest. And Barclays acted on this instruction.

And I find Barclays did tell Mr S that he could transfer the funds that couldn't be held in its Smart Investor account to a third-party provider. Mr S told us it was too time consuming for him to research and arrange such a transfer. Nevertheless, I'm satisfied Barclays had signposted him to a suitable option if he wanted to keep all of the funds he held.

Overall, I find that Barclays gave Mr S reasonable notice that his accounts would be closing, gave him clear options for what to do with his investments, and gave him information about each of the fund's eligibility to be transferred.

Mr S says Barclays delayed acting on his sale instructions. Barclays told us that, when accounts are transferred, the timescales for any investment sales will be longer than usual. These timescales were set out by Barclays in its support pages for the account transfer. The sales were completed within four and five business days and, as the sales formed part of the overall account transfer, I'm satisfied that there were no undue delays in Barclays carrying out Mr S's instructions. I note there were no charges applied for the sales or transfer, which I think was fair in the circumstances.

I'm satisfied that Barclays apologised for not sending him a statement when he asked for one and for wrongly applying the final regular payment to his ISA. I think the £250 paid to him fairly compensates him for the distress and inconvenience caused by these errors. Mr S says this compensation doesn't cover the distress caused by the closure of the P&I service. But, because I've found Barclays treated Mr S fairly and reasonably, and in line with its agreed terms, when it closed his accounts, I don't find it needs to do anything more.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 16 December 2025.

Elizabeth Dawes
Ombudsman