

## **The complaint**

Ms H complains that Barclays Bank Plc delayed transferring her investment ISA to her new provider.

Ms H states that because of their delays, she's lost c£65,000, which she'd now like Barclays to recompense her for.

## **What happened**

In October 2024, Ms H's financial adviser recommended that she move the £767,000 investment ISA she held with Barclays to a business that I shall call Firm A. On 8 October 2024, the adviser completed the transfer instruction and submitted this to Firm A, who then requested the transfer from Barclays Wealth Management ('Barclays WM') on the same day.

After not hearing anything back, Firm A then started to chase Barclays WM on 24, 30 and 31 October 2024 to understand how the transfer was going – Firm A didn't receive a response to any of those requests. On 4 November 2024, Firm A telephoned Barclays WM to understand what was happening. And, on 6 November 2024, Barclays WM established that the transfer request was not with the right area and asked Firm A to contact a different department – Barclays Smart Investor ('Barclays SI').

Firm A contacted the recommended Barclays team the same day to query if this was indeed the correct department but didn't receive a response. Firm A then chased this on 11 and 13 November 2024.

Ms H's adviser then telephoned Barclays WM on 13 November 2024 to log a complaint about the length of time it was taking to move the monies; the Barclays agent stated that she wouldn't be able to log this as Ms H would need to do this herself. The agent then confirmed she couldn't find the transfer request from searching Ms H's details.

Firm A contacted the adviser on 13 November 2024 to confirm that Barclays WM couldn't locate Ms H based on the transfer instruction and details provided, so they asked the adviser to check the information submitted. Ms H's adviser then provided a statement that showed the correct account number and area of Barclays the ISA would come under. Firm A asked Ms H's adviser to submit a new transfer request with the ID account number to Barclays SI. The updated transfer was submitted by Firm A to Barclays SI on 14 November 2024 and was completed on 22 November 2024, with Ms H eventually receiving a total of £701,865. Following the transfer, a further £5,816 was transferred that was made up of dividends and interest that were received after the £701,865 was paid away.

Shortly afterwards, Ms H decided to formally complain to Barclays. In summary, she said she was unhappy with the time taken to move her monies and the loss in value her ISA had seen over that period.

After reviewing Ms H's complaint, Barclays concluded they were satisfied they'd done nothing wrong. They also said, in summary, that it was the adviser's responsibility to ensure that application forms were completed correctly and in light of the fact that Firm A regularly requested transfers from them, in their opinion, Barclays felt it wasn't their fault. However, Barclays agreed that they hadn't responded to queries as promptly as they could have done so were awarding her £50 to apologise.

Ms H was unhappy with Barclays' response, so she referred her complaint to this service. The complaint was then considered by one of our Investigators. He concluded that Barclays WM and Barclays SI are different departments with different processes, but he was looking at what Barclays Bank Plc as a whole had done. He went on to say that he couldn't find Barclays entirely responsible for the delay and the financial loss that the ISA suffered while the transfer was being attempted. He also felt that that there wouldn't have been a delay if the transfer request had all the relevant information and had been requested to the correct area of Barclays. But, because of Barclays' failure to reject the original transfer and the lack of timely, helpful responses to Firm A, he didn't feel that that they'd delivered a reasonable service. Our Investigator felt that Barclays' offer of £50 to apologise for the stress and inconvenience caused should be increased by a further £150.

Unhappy with that outcome, Ms H then asked the Investigator to pass the case to an Ombudsman for a decision.

After carefully considering matters, I decided to issue a provisional decision on the case as I explained that I was minded to reach a different conclusion to that of our Investigator and uphold Ms H's complaint. This window of time aimed to give both parties the opportunity to consider my thinking and provide any final comments that they wished for me to consider.

#### What I said in my provisional decision:

I have summarised this complaint in less detail than Ms H has done and I've done so using my own words. The purpose of my decision isn't to address every single point raised by all of the parties involved. If there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied that I don't need to comment on every individual argument to be able to reach what I think is the right outcome. No discourtesy is intended by this; our rules allow me to do this and it simply reflects the informal nature of our service as a free alternative to the courts.

My role is to consider the evidence presented by Ms H and Barclays in order to reach what I think is an independent, fair and reasonable decision based on the facts of the case. In deciding what's fair and reasonable, I must consider the relevant law, regulation and best industry practice. Where there's conflicting information about what happened and gaps in what we know, my role is to weigh up the evidence we do have, but it is for me to decide, based on the available information that I've been given, what's more likely than not to have happened.

Having carefully reviewed the circumstances surrounding the delayed ISA transfer, I am planning on upholding Ms H's complaint. While I don't think there's any doubt that errors occurred on both sides, I find that Barclays' handling of the transfer request contributed materially to the delay and the resulting financial detriment. Ms H acted in good faith throughout and should not be held responsible for the consequences of procedural failures between the firms involved.

In any ISA transfer, the submitting firm is responsible for compiling an accurate and complete application, checking it for obvious errors and ensuring that it reaches the correct destination. The receiving firm, upon receipt, is responsible for reviewing the request

promptly, identifying any issues and either processing the instruction or communicating clearly if further action is necessary. In this case, Firm A submitted the transfer request to the wrong business within Barclays and included an incorrect reference number. This was a clear administration error that introduced confusion and delayed the start of the process. However, Barclays submitted an email to this service on 1 April 2025, that acknowledged they spotted the error immediately and identified the transfer request was likely for Barclays SI. Their email states:

*“The first information we received about the transfer was on 9 October as Gerrards Investment Manager LTD (GIML) received an instruction via an online tool known as Altus (ATG). GIML are a separate company from Barclays but are part of the Barclays Group. GIML, noting some of the details provided by [Firm A], believed this was intended for Smart Investor (SI). At this point, I want to be clear [Firm A] and Smart Investor are part of The Investing and Saving Alliance (TISA) database. This is an independent company with the purpose of providing a golden source of information to allow contact between brokers as easy as possible, by ensuring the contact details are updated correctly. As both [Firm A] and [Barclays] SI are signed up to TISA, [Firm A] had no reason to raise this with GIML, as all SI information is held fully up to date.*

*We replied to GIML on 15 October, four working days later, to confirm the ID number was for SI but there was nothing in ATG for this account on our side. On 17 October, GIML asked for us to use the ALTUS reference provided to check for an instruction, but the reference provided, [XXXXXXX], was not a valid reference for an SI account. We replied on 29 October, eight working days, to confirm this and, after several further emails, on 12 November we confirmed this couldn't be accepted in the current format, asking for the ATG request to be resubmitted correctly. The instruction was resubmitted and applied to the account on 15 November, with assets being sold the same day and completing by 20 November, well inside the 30-calendar day expectation.”*

Despite Barclays identifying there was a problem with Firm A's submission within a day of receipt, it took them until 14 November 2024, over a month from the original submission, to inform Firm A that a new application would need to be submitted.

During this time, internal emails were exchanged within different teams at Barclays, yet no definitive action was taken to resolve the matter or escalate it externally with Firm A. Despite this, Firm A gave Barclays plenty of opportunities to let them know there was a problem with the application that they'd submitted; from what I've seen, they reached out to Barclays on multiple occasions: 24, 30 and 31 October and 4, 11 and 13 November 2024 to query the status of the transfer and seek clarification. Those information requests went largely unanswered. I am of the view that Barclays missed multiple opportunities to allow Firm A to course-correct throughout the duration of the issue. Barclays' failure to respond to direct queries, combined with the internal delay in confirming the need for resubmission, prolonged the process unnecessarily and prevented Ms H from achieving her intended outcome in a timely manner.

Had Barclays rejected or re-directed the transfer request promptly upon receipt (when they first realised there was a problem), Firm A could have resubmitted the application far sooner. The delay was avoidable and prolonged by Barclays' internal handling which failed to deliver timely customer communication or resolution. The responsibility for executing the transfer instruction lay firmly with Barclays once the request was received and their failure to communicate with Firm A directly contributed to the missed opportunity to complete the transfer before the market moved.

It is not reasonable to expect the consumer to have foreseen these issues or to have encashed her investments independently. The transfer instruction submitted by her financial adviser clearly requested that the ISA be encashed and transferred as cash. This is a standard process in investment ISA transfers and Ms H (or her adviser) had no indication that the transfer would be delayed or mishandled. It would be inappropriate to suggest that she should have pre-empted the failure by selling her investments outside the formal process.

In light of the above, I'm therefore of the opinion that the delay in transferring Ms H's Barclays ISA to Firm A, was primarily caused by Barclays' failure to act promptly and transparently once the misrouting was identified. The customer's financial loss during this period was foreseeable and avoidable and as such, I am therefore planning on upholding her complaint and require Barclays to put things right for her in the following way:

### **Putting things right**

My aim is to put Ms H back as close as is reasonably possible to the position that she would've been in were it not for Barclays' delays in delaying the ISA transfer application. I do have to acknowledge here that we are now working to a new timeline, but I'm satisfied that what I have set out is fair and reasonable in all of the circumstances.

### Financial loss

In determining what's reasonable, I have given consideration to what ought to have happened had Barclays rejected the application in a prompt manner.

Barclays have stated that they identified the original ISA application was incorrect almost immediately upon receipt. However, I think it's reasonable to have allowed a week for their initial enquiries to have concluded that the transfer would need to be resubmitted and/or have spoken to Firm A to have sought clarification on the matter. Therefore, to calculate any loss to Ms H, Barclays must:

1. Work on the basis that Firm A would have been informed that the ISA application was rejected on 15 October 2024 (which is five working days from original receipt).
2. Assume that a new ISA transfer application would have been submitted to Barclays on 16 October 2024 and that Ms H's assets would have been sold on the same day.
3. Using the same timescales as the second ISA application, that means Barclays would have sent Ms H's ISA monies to Firm A on or around 24 October 2024 and would have been available in her account with them on 25 October 2024.
4. Barclays should compare the amount in Step 3 with what was actually sent to her Firm A ISA in November 2024. If the amount in Step 3 is more than what was sent in November 2024, a loss has occurred.
5. If a loss has occurred, Barclays must seek evidence from Ms H to demonstrate what the transfer monies were invested in at Firm A once the transfer completed in November 2024 (Ms H's adviser has stated that she invested in the Timeline 100 Tracker portfolio).
6. Barclays must then calculate what return those extra monies (i.e. the difference in amounts between Step 3 and Step 4) would have achieved had they been sent to Firm A and invested from 25 October 2024.
7. Barclays must use the date Ms H accepts my final decision as the end date for the

calculation.

8. Barclays should then remit those monies to Firm A within 28 days of them receiving Ms H's acceptance of my final decision.
9. If Barclays doesn't complete the remediation exercise set out above by the time limit in Step 8, they must add 8% simple interest per year to the redress from day 29 onwards.

#### Trouble and upset

Barclays have already offered Ms H £50 in recognition of their failure to respond to Firm A and her adviser's queries about the transfer in a timely manner. Having carefully considered matters, I'm of the view that Barclays should pay Ms H a further £150, which I believe better reflects the impact of the upset caused.

#### Responses to my provisional decision

After considering the provisional decision, Barclays asked for evidence of what Ms H invested the monies in post transfer and for evidence that Firm A had chased their administration centre. In addition, Barclays also provided new evidence that a transfer request was received by themselves on 7 October 2024 and immediately rejected. Barclays wanted to understand why a request was then made by Firm A the following day when the request the day before had been rejected

Barclays explained that they appreciated the need to draw this matter to a conclusion, and that they were prepared to consider client detriment and offer reasonable compensation for the delayed trades and subsequent time out of the market. However, Barclays set out a revised proposed timeline which they feel is reasonable given they are of the view that they are not solely responsible for the losses incurred by the client:

1. 15 October 2024 GIML Transfer team reject the transfer request raised via ATG on 9 October 2024.
2. 16 October 2024 new request raised via ATG with FNZ (Barclays Transfer team).
3. 23 October 2024 FNZ sell both assets, this complies with their SLA of 5 working days from receipt of a valid transfer request and allows for any discrepancy with the account ID.
4. 8 November 2024 FNZ send the cash to Firm A – this is 30 calendar days from 9 October 2024 and is aligned to industry standard for completing Investment ISA transfers.
5. 13 November 2024 funds are reinvested, perhaps using a comparator or if confirmation can be provided, based on actual reinvestment.

Barclays said that they would use the above to calculate the additional units Ms H would now hold in each fund (with adjustment made for additional fees and uninvested cash), and value them as at the date of the calculation to arrive at a compensation payment.

Barclays explained that they accepted there is an element of redress that they must now consider. However, they went on to say that they would strongly advocate for their standard process to be taken into account. This would be allowing five working days for Barclays Wealth to establish the transfer was for Smart Investor and a further five working days for FNZ, their Transfer Team, to follow the business-as-usual process. In this scenario, they

would expect the trades to have been placed on 23 October 2024. Barclays said that they felt this approach was a fair and reasonable way to resolve the complaint.

In addition, Barclays explained that they respected this service's opinion but feel the Financial Adviser and the client had the opportunity to limit potential losses but decided not to mitigate the circumstances by taking decisive action.

Having considered what I had to say in the provisional decision, Ms H explained that she accepted the proposed outcome.

### **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.

Before I set out my final decision, I should make clear that various exchanges followed the provisional decision with information shared between both parties. Ms H's adviser explained that the transfer request that was submitted to Barclays on 7 October 2024 was initiated by his assistant. He went on to say that they had incorrectly requested an in-specie transfer but then immediately cancelled the request as he wanted Ms H's transfer undertaking on a cash basis. The new transfer request was placed the following day. He explained that transfer was cancelled by them rather than Firm A. Barclays were also provided with the evidence that Firm A had chased their support team on multiple occasions for updates. In addition, details of the investments made post transfer were also shared with Barclays.

After considering Barclays' submissions, I acknowledge that they have accepted some responsibility for the delays. However, having reviewed the actions of Firm A and Ms H's adviser, I am satisfied that they acted promptly and made reasonable efforts to manage the transfer on her behalf. Therefore, I conclude that the delays were primarily attributable to Barclays, and the responsibility for putting things right should rest with them.

I'm not persuaded to alter my thinking by the proposed timeline that Barclays have put forward. I say that because whilst I appreciate that Barclays may have service level agreements that they aspire towards, more often than not, they don't always play out in reality. For example, in Ms H's case, Barclays demonstrated that when they received a correctly completed transfer form on 14 November 2024, they were able to move the monies within eight days. So, in assessing fairness, I place greater weight on Barclays' proven ability to complete the transfer in eight days once the correct form was received, rather than hypothetical SLA targets.

In addition, Barclays have proposed having sold the investments, they wouldn't transfer the cash for a further 16 days. While I acknowledge Barclays' SLA-based approach, I find that the additional 16-day delay after liquidation does not align with industry best practice or the efficiency Barclays demonstrated in November 2024.

Barclays state their proposed timeline meets the 30-calendar day deadline for ISA transfers. But I don't think it's quite that simple. Whilst Barclays are quite correct that investment ISAs must be moved between providers within a month, the guidance doesn't state that providers can use all 30 days. The ISA transfer guidance set out on the Gov.UK website states that stocks and shares ISAs should '*take no longer than 30 calendar days.*' I don't believe the author of that guidance intended for firms to sit on consumers' cash for prolonged periods of time after the sale had taken place. Rather, I believe the spirit of that guidance was to allow firms undertaking in-specie transfers (which typically take far longer to undertake) additional

leeway. But, as I've already explained above, Ms H's transfer was cash only, so the simplest of transactions for Barclays to execute.

I've carefully reflected on whether the timeline I proposed within my provisional decision is achievable within Barclays' operational constraints, and I note that Barclays successfully met this timeframe when processing the second application, so I'm satisfied that my decision is both practical and not punitive.

I acknowledge the comments that Barclays have set out around Ms H and her adviser's responsibilities to limit their losses, but as I set out in my provisional decision, I don't think they acted unreasonably by not selling the investments prior to the transfer. As Barclays will be aware, such an approach isn't uncommon within the transfers market, so I don't think it would be reasonable to penalise Ms H for not pre-empting delays by liquidating her investments outside the formal process when transferring her investment away from Barclays. And in any event, expecting consumers to take steps outside the formal transfer process could expose them to unnecessary risks and is not supported by regulatory guidance.

As I've not been provided with any new information that's made me change my mind, it therefore follows that I've reached the same conclusion for the same reasons that I set out in my provisional decision above. I am satisfied that this approach is fair and reasonable to both parties; it restores Ms H to the position she would have been in without imposing unrealistic obligations on Barclays.

### **My final decision**

I'm upholding Ms H's complaint and require Barclays Bank Plc to put things right for her in the manner that I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 18 January 2026.

Simon Fox  
**Ombudsman**