

## **The complaint**

Mr J complains that Barclays Bank Plc trading as Barclays Smart Investor (“Barclays”) incorrectly sold down his investments which were subject to a transfer request he had cancelled.

## **What happened**

Mr J held a share dealing account with Barclays. In August 2025 he submitted a series of fund transfer requests away from Barclays to a new platform, which he quickly followed up with a cancellation instruction for each request.

The fund transfer request subject to this complaint was submitted on 5 August 2025. Mr J contacted Barclays to cancel this request on 7 August 2025, however, Barclays failed to follow up on this instruction and that resulted in Mr J’s holdings being sold down to cash on 15 August 2025.

Mr J complained to Barclays about this, and it provided its final response letter in September 2025 upholding his complaint. Barclays accepted it was responsible for the error, and it made an offer to put Mr J back in the position he would have been in but for the error. Barclays said this was particularly difficult as Mr J had re-entered the market on 27 August 2025, but it compensated him the difference between the loss he had made being out of the market and the gain he had made by reinvesting in the market. In addition, Barclays offered £12 to cover the repurchase fees as well as £100 for the distress and inconvenience caused. This amounted to a total of £702.60.

Mr J didn’t think Barclays’ calculation method was correct. He felt his reinvestment was an independent decision separate from this complaint and should not be considered when calculating the financial redress. He also argued that if he’d invested in something more profitable and made a bigger gain, Barclays would have compensated less, which he didn’t consider to be fair.

As Mr J remained unhappy with Barclays’ response, he referred his complaint to this service for an independent review.

One of our investigators considered the complaint but didn’t uphold it. In summary, they said Barclays must put Mr J back in the correct position, but it’s fair for it to consider any mitigation Mr J took to reduce the impact of the error. So as Mr J reinvested his funds received from the incorrect sale of his investments and made a gain, he put himself closer to the position he ought to have been in. So the investigator felt Barclays’ offer was fair and reasonable.

Mr J didn’t accept the investigator’s findings. In summary, he said that the principle of mitigation requires a claimant to act reasonable to reduce loss, but it doesn’t transfer the investment risk to the defendant. He said that his gains arose from his independent investment decisions and did not arise from Barclays’ corrective action. As such, he felt his losses of £1,805.66 should be refunded.

As Mr J remained unhappy, the complaint has been passed to me to decide.

## 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.

It is not disputed that Barclays was responsible for the error subject to this complaint, however, the outstanding issue which my decision will focus on is whether Barclays' offer is fair and reasonable in all the circumstances.

It is accepted by both parties that Barclays' error resulted in Mr J realising a loss of £1,805.66. This was due to the incorrect sale of units in two funds on 15 August 2025 amounting to a payment of £98,573.34 to him and had they not been sold they would have been worth £100,379 on 16 August 2025.

What is disputed is that Barclays has considered what Mr J did with realised cash of £98,573.34 following it incorrectly selling his units when calculating the total redress owed to him. It has confirmed that on 27 August 2025, Mr J purchased further units in the same two funds Barclays had incorrectly sold, costing him a total of £99,554.64. It's important to note that Mr J didn't repurchase the same number of units in each of the two funds and he invested an additional £981.30 than received from the incorrect sales. Barclays calculated that 99.01% of the total investment came from the sale of the units on 15 August 2025, and 0.99% came from Mr J himself.

In calculating the redress, Barclays took the value of the two funds as of 16 September 2025 which came to £100,781.85. It said this resulted in Mr H making a realised gain of £1,227.21 compared to the value on 27 August 2025. Barclays then multiplied this gain by 99.01% to calculate what amount of this gain came from the sold units, which came to £1,215.06. Barclays then compensated Mr J for the difference between this figure (his investment gain realised) and the reduction in value of the units it had incorrectly sold on 15 August 2025 (£1,805.66), which came to an amount of £590.60.

I understand that Mr J is adamant that Barclays should not be able to reduce the £1,805.66 difference due to him making a gain on the reinvested cash. However, I feel Barclays' calculation is in line with this service's approach and it is fair and reasonable in all the circumstances. I'll explain why.

Our service's approach to compensating a financial loss caused by a firm's error is to put the consumer back in the position they would have been in but for the error. However, in doing so I think it's fair and reasonable for Barclays to consider what actions Mr J took as a result of the error. If he hadn't had reinvested, then this would have been a much simpler situation to remedy. By reinvesting in the realised cash and by deciding to purchase different amounts of units in each fund, I'm satisfied Mr J's investment intentions had changed and he no longer wished to be invested in the same position as he was prior to Barclays' error. As such, it is fair and reasonable for Barclays to consider what choices Mr J made following its error, any mitigation he took and the fact that he made a gain as a result of not being placed back into the same level of units in each fund.

I appreciate Mr J feels strongly that Barclays shouldn't be able to offset his gain from the overall compensation as it was achieved as a result of his independent investment decisions. However, had these decisions led to an investment loss then our service would have equally considered this in deciding whether compensation was fair and reasonable. I understand Mr J disagrees with this approach. However, if our service accepted that Barclays should refund him the £1,805.66, in addition to allowing him to enjoy the investment

gains realised of £1,227.21, this would allow Mr J to gain a double benefit as a result of Barclays' error, which wouldn't be fair and reasonable.

So taking into account all of the above, I'm satisfied Barclay's calculation is fair and reasonable in all the circumstances. I also think £100 fairly reflects the level of distress and inconvenience caused to Mr J as the error meant he had to take time to consider his investment options when it wasn't necessary for him to do so. I also acknowledge that it would have been frustrating for him to find out that Barclays' hadn't correctly acted upon his instructions.

Barclays has confirmed that it has already paid its offer to Mr J and so I do not require it to do anything further.

### **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 J to accept or reject my decision before 27 April 2026.

Ben Waites  
**Ombudsman**