

## **complaint**

B complains that Barclays Bank Plc delayed in returning investment monies to her.

## **background**

B invested money with Barclays and was due to receive the final 50% back in November 2010. However, she did not receive the money until June 2011.

In summary, B says that as a result of the delay in receiving her funds she has suffered financially from:

- fees and charges incurred on an overdrawn third party account
- having to withdraw money from an ISA account to cover her overdraft
- fees paid to a claims management company (CMC)
- exam fees which were lost when she did not have the money to complete the course

She has also said that she was promised a higher rate of interest on the investment than the rate which she actually received.

Our adjudicator recommended this complaint be upheld. She concluded that Barclays had caused B to receive her investment money later than expected. To compensate her for this she recommended that B receive a payment of 8% simple interest on the returned money for the period of delay. She also recommended an interest award on this payment at 8% simple from the day B eventually received the money to the date of settlement, and an award of £400 to reflect the distress and inconvenience that B had been caused.

Our adjudicator did not think that B should be reimbursed for the third party overdraft fees and charges as she was satisfied that B had been refunded for these by the third party bank. She was not satisfied it was fair and reasonable for B to receive any further compensation for her exam fees, CMC fees or for the ISA withdrawal. Nor did she think that B had been paid the wrong rate of interest on her investment.

Barclays accepted the adjudicator's proposal. However, B is unhappy with it. In summary, she believes that it does not fully compensate her for the losses she incurred; in particular the overdraft fees and charges.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Where there is a dispute about what happened, or where evidence is unclear or inconclusive, I make my findings on the balance of probabilities – which is to say, what I find most likely to have happened based on the evidence available and the wider surrounding circumstances.

B has made detailed submissions in response to the recommendations of the adjudicator, which I have read and considered. However, I remind her that in my role as an ombudsman I will be focusing on the factors which I consider to be material to her complaint.

Firstly, B has said that she was promised at least 10% interest on her investment, and was led to believe her returns would be substantially more than they turned out to be. It appears her investment paid her just under 7% interest in the end. Based on the evidence available I am not persuaded that B was promised a higher interest rate than the rate she actually received.

However, I do consider that Barclays has been unclear with B regarding the required method of changing her address in order that she would receive the outstanding investment money on time. I find that she has not received the level of customer service she could have expected, and as a result it has caused her to get her investment money later than when it was due. I am satisfied that B should be compensated by receiving 8% simple interest on the investment money during this period of delay, and also receive further simple interest on this compensated amount from the date she eventually received the outstanding money to the date of settlement.

The main issue of contention here appears to be whether or not B should be further compensated. She has indicated that she has suffered losses from a range of other things, primarily fees and charges from her third party account being overdrawn.

I have considered the fees and charges B incurred on this third party account between November 2010 and June 2011 (the period I consider that she was wrongly deprived of her investment monies). I note that in May 2011 B received substantial refunds for fees and charges from the third party bank which were paid directly into this account – I note that B says these refunds were for other things – however, from the information available to me it appears that, on balance, most of these refunds were in respect of the overdraft fees and charges which she incurred during the previous months.

Also, I note that B was overdrawn prior to November 2010, and at times her overdraft exceeded the amount of investment monies due back to her. Therefore, in any event, I am not satisfied that all of the overdraft fees and charges were a result of Barclays' error.

Furthermore, it is worth pointing out that as part of my findings I am awarding B interest on all of the delayed investment money for the period she was deprived of these funds (between November 2010 and June 2011). If B had received this money in November 2010 as planned and used it to clear her overdraft (as she indicates she would have) then she would not have earned any interest on this money.

Considering my reasoning above, I cannot fairly conclude that Barclays should pay B further compensation for the charges or fees incurred on the third party overdraft.

Furthermore, in the circumstances I am not persuaded that B had to employ the services of a CMC to bring her complaint. Also I do not consider that it would be fair and reasonable to award her for the loss of an exam deposit or ISA allowances. I do not find that these expenses were incurred as a direct result of Barclay's actions and in the circumstances cannot fairly conclude that they should be reimbursed.

I have considered the £400 which Barclays has now agreed to pay B for her distress and inconvenience. As a service our awards are normally modest and this award goes towards the higher end of our compensation scale. I consider this a fair award in the circumstances.

In light of my findings above I am satisfied that the recommendations of our adjudicator, (which Barclays has agreed to) are fair and reasonable in the circumstances - therefore my final decision is to make the same award.

**my final decision**

My final decision is that I uphold this complaint and direct Barclays Bank Plc to pay B:

- 8% simple interest on £5002 for the period from 10 November 2010 to 15 June 2011 ('Payment A');
- 8% simple interest on Payment A for the period from 15 June 2011 to the date of settlement; and
- £400 to reflect the distress and inconvenience she has been caused.

Barclays should deduct basic rate tax from the interest element of my award and give B the appropriate tax deduction certificate so that she is able to claim a refund if appropriate.

Mark Lancod  
**ombudsman**