

The complaint

Mrs C complains that Barclay Bank UK PLC has failed to open an ISA using her late husband's tax allowance. To put things right, Mrs C wants Barclays to open her ISA.

What happened

Mrs C's husband passed away in early 2022. After she found out that she could open a cash ISA using the Additional Permitted Subscription (APS) allowance, Mrs C transferred £20,000 to her Barclays current account. Mrs C then tried to open the ISA but encountered delays on the part of Barclays.

Barclays has paid Mrs C a total of £150 to apologise for the delays. Barclays says it cannot deposit money into the ISA yet as Mrs C's late husband's ISA provider (which I will refer to as V) has not responded to its application to transfer the APS allowance.

Our investigator said Barclays accepts that it made some mistakes during the ISA transfer process. However, she thought that Barclays compensation payment totalling £150 was fair. Our investigator explained that Barclays sent the APS allowance transfer request on 12 July 2023 but V had not yet replied. Our investigator thought Barclays was taking reasonable steps to try and resolve the issue.

Mrs C was unhappy with the investigation outcome. She said she didn't ask for compensation and just wants the ISA to be set up. Mrs C asked if we could put pressure on V to find out why there was a delay. Mrs C doesn't understand why V needs to be involved in the process.

Our investigator went back to Barclays and it said that it had again chased V but not had a response. Barclays said that it could not complete the transfer without confirmation from V.

Our investigator told Mrs C that we cannot keep her complaint open indefinitely. Our investigator was satisfied that Barclays compensation together with its promise to keep Mrs C updated with progress was fair and reasonable.

Mrs C is disappointed with our investigator's response and asks why we are not using our powers to pressure V to sort things out. Mrs C points out that she has been trying to get the ISA set up from the middle of March 2023.

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.

I appreciate that I have summarised this complaint in less detail than the parties and that I have done so using my own words. Our rules allow me to take this approach but this doesn't mean that I have not considered everything that both parties have provided.

I can see from reading Barclays customer notes that there was some confusion when it first started the process of opening the ISA using the APS allowance. There were delays and

incorrect forms were completed before Barclays spoke to Mrs C to establish details about her late husband's ISAs. This meant that Barclays didn't send the APS allowance transfer request to V until 12 July 2023.

I know that Mrs C's motivation is not to secure compensation but to get the ISA set up. However, Barclays is reliant on V responding to its APS allowance transfer request. Without confirmation of the allowance from V, Barclays cannot deposit money into the ISA that it has opened for Mrs C. Barclays has chased V but has not received a response. I understand that it will be frustrating given the length of time that Mrs C has been waiting but I can't reasonably require Barclays to do more than it already is to sort things out for Mrs C.

In terms of putting pressure on V – the Financial Ombudsman Service is not the regulator – so this is not something that I can do. Mrs C's complaint is against Barclays and not V. So, it is Barclays actions that I am considering – not those of V. It may be possible for Mrs C to raise a separate complaint against V but I leave that with her to decide.

As I've said above, Barclays accepts that it didn't provide the level of service Mrs C could have reasonably expected when she first tried to set up the ISA – particularly in the aftermath of the sad loss of her husband. For these failings, I consider £150 was fair compensation.

Barclays has then taken steps to confirm the APS allowance and has chased V for a response. I think Barclays has responded reasonably to Mrs C's concerns so I won't be asking it to take further action at the moment. That being said – if there are further delays, or if Barclays fails to respond to further update requests from Mrs C, I don't see why she could not complain again.

My final decision

My final decision is that I don't uphold this complaint in the sense that I am satisfied Barclays has already done enough to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 7 February 2024.

Gemma Bowen
Ombudsman