Ombudsman Decision
CIFO Reference Number: 25-000209
Complainant: Mr O
Respondent: Barclays Wealth Management Jersey Limited

The Complainant, who I shall refer to as Mr O, complains that Barclays Wealth Management failed to tell him about the liquidation of its Sterling Bond Fund in 2020. His investment in the fund was passed to the liquidator where it was held without investment growth or the payment of interest.

Mr O would like Barclays Wealth to pay interest on the basis that he would have reinvested the money in a high-interest bank account.

Background

Barclays Wealth explained that on 9 November 2020 PwC were appointed as liquidators of the Sterling Bond Fund offered by Barclays Investment Funds (Channel Islands) Ltd. Investors were told of the liquidation by the bank and work was subsequently carried out by the liquidator to trace 'not in touch' and 'gone away' investors.

This included the engagement of tracing agents. On 17 October 2024 the court in Jersey authorised the transfer of all remaining money to His Majesty's Receiver General in Jersey. This is a matter of public record.

Mr O was a 'not in touch' or 'gone away' investor in that address and verification of identity records had not been updated for some time. Barclays Wealth held a 'care of' address for Mr O with another bank but said that letters sent notifying Mr O of the proposed liquidation had been received back marked 'gone away.'

[1] Financial Services Ombudsman (Jersey) Law 2014 Article 16(11) and Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014 Section 16(10)

Mr O contacted Barclays Wealth about his investment in April 2024 and was referred to PwC. The value of his investment at liquidation, £150,568.12, was paid back to him on 19 July 2024.

To support his complaint, Mr O said:

- He responded to letters sent by Barclays Wealth in 2009 and 2016 and provided the information required to update his address record.
- He spoke with Barclays Wealth on several occasions over the years and received updated valuations for his investment. His personal records suggest that that included contact in October 2020.

Barclays Wealth rejected his complaint but did offer to pay Mr O £500 to recognise the delay in service once he got in touch for a valuation in April 2024.

On referral to CIFO Barclays Wealth said that in its view the complaint is out of time for consideration by CIFO as Mr O did not refer it within the six months set out in the final response letter.

My Provisional Conclusions

Mandate

Barclays issued its final response on 20 October 2024 but did not include the date on which the six-month referral *expired*. On that basis I was satisfied that the complaint brought by Mr O in May 2025 is in mandate.

Complaint

I concluded that the complaint should succeed on the basis that Barclays was in possession of a legitimate address for Mr O albeit that it had not been verified. I said:

'…Barclays had an address for Mr O which could and should reasonably have been used to try and contact him bearing in mind that it has said that there were extensive 'outreach exercises' between 2019 and 2022.

I accept that this may have resulted in more administrative work for Barclays Wealth (and others), but Mr O's investment was not a nominal or insignificant amount and for that reason I consider it should have done more to establish contact. Barclays Wealth has also not shown that it considered the extent to which vulnerability might be an issue in the outreach exercises.'

Redress

I said that reasonable redress would be to consider what interest Mr O would reasonably have received had the money been placed in a high interest bank account for an 18-month period on the basis that Mr O should reasonably have reviewed his investment at an earlier stage.

I therefore recommended that redress be calculated as:

- The amount of credit interest Mr O would have received between 9 November 2020, and 30 April 2022 had the money, £150,568.62, placed in a high interest bank account.
- The £500 the bank has already offered for inconvenience.

I also said that Mr O and Barclays Wealth may wish to come back to me as to a suitable comparator account for the calculation of lost interest.

Subsequent Submissions

Mr O did not reply to my provisional decision, but he has previously accepted the adjudicator's conclusions which included a more favourable recommendation for redress.

Barclays Wealth did not accept my provisional decision. It said:

- Mr O did not refer the complaint within the 6-month time limit. It does not accept the CIFO interpretation of the relevant rule and considers that its final response letter met the statutory requirement. In its view the complaint was referred out of time and should not have been considered.

- I have not adequately considered the bank's obligations under the Jersey Money Laundering Order and AML Handbook when reaching my conclusion about the paperwork required for address and identity verification.

- The information provided by Mr O in 2009 and 2016 was not original nor certified and could not be relied upon to update records or remove the account stop. It is unreasonable to penalise a regulated firm for *'adhering to its legal and regulatory obligations.'*

- The Court and regulator (JFSC) were satisfied with the efforts made by Barclays and PwC to locate funds and repatriate funds wherever possible.

- Its fund administrator has again confirmed that it has no record of any call made by Mr O in October or November 2020.

Mandate

Our powers to consider complaints are set out in The Financial Services Ombudsman (Jersey) Law, 2014. That law sets out time considerations including at Article 11(7) the requirement that a complainant is told of the effect of '*abbreviated time limit, specifying the date on which it expires*'.

The abbreviated time limit is six months after the issue of a final response letter. CIFO guidance to financial service providers at the relevant time included at 15A the requirement that a final response *'…must refer the complaint to CIFO (using its full name) within 6 months of the final response, giving the date the 6 months expires…'*

As set out in my provisional decision Barclays issued its final response on 20 October 2024 but did not include the date on which the six-month referral expired. On that basis I remain satisfied that the complaint brought by Mr O in May 2025 is in mandate.

My Findings

I have reconsidered all the available evidence and arguments to decide what is, in my opinion, fair and reasonable in the individual circumstances of this complaint.

Having done so I have reached the same conclusion on the merits of Mr O's complaint. I have thought about what Barclays Wealth has said about legal and regulatory requirements and in particular anti-money laundering provisions, but I do not see them as having material impact on the conclusion I reached.

To be clear I did not conclude that the bank should have accepted the 2009 or 2016 correspondence as confirmation of identity or updated the address information for the account. Rather, it was my view that because the bank had had a relatively recent and successful exchange of correspondence with Mr O that information could reasonably have been made available during the contact and tracing exercises undertaken as part of the fund closure process.

In other words, more could have been done to establish contact with Mr O and had that been the case it is possible that the money would have been returned at an earlier stage. I do not see my conclusion here to go against the legal and regulatory requirements set out by the bank and nor does it contradict what the court said about the overall process.

I also concluded that Mr O should reasonably have reviewed his investment at an earlier stage and that is why I reduced the period for which redress is to be paid. I note what the bank says about the 2020 contact but do not consider I need to make a finding on that point. In reaching my conclusion I have relied on the earlier contact which is evidenced by the undisputed exchange of correspondence.

Redress

Neither the bank nor Mr O have commented on the redress proposal I made in my provisional decision. I therefore confirm what I set out and that a fair method of redress would be to consider what interest Mr O would reasonably have received had the money been placed in a high interest bank account as he has suggested.

I also consider it reasonable for Mr O to have looked to review his investment at an earlier stage and within 18 months of the October 2020 enquiry he says he made.

Final Decision

My final decision is that I uphold the complaint. In full and final settlement, the bank should now pay Mr O:

- The credit interest he would have received between 9 November 2020, and 30 April 2022 had the money, £150,568.62 been placed in a high interest bank account along with:
- 8% simple interest on the amount at (2) above from 30 April 2022 to the date of settlement.
- The £500 the bank has already offered for inconvenience.

In the absence of representations on a comparator account the calculation should be made using the best credit interest rate it offered for the amount invested at the relevant time across both instant access and short-term (up to three months) notice accounts.

Clare Mortimer
Ombudsman

Date: 7 April 2026