

## **complaint**

Mr and Mrs M's complaint concerns the delays and administrative errors they faced when trying to move some of their investments from Hargreaves Lansdown Asset Management Limited. They have also complained about the way their concerns were treated and misleading information they were given.

## **background**

The adjudicator who looked into the complaint thought it should be upheld in part. He accepted that as Mr M had stated in a telephone call not to sell any further investments, Hargreaves Lansdown was forced to delay further action until it received fresh instructions. But as all Mrs M's investments had already been sold, the proceeds should have been passed to the new provider. So Mrs M should be compensated for any delay.

The adjudicator accepted it could not be known what Mr M might have done if he had been made aware of the implications of not selling all his investments. So it was not possible to determine if he had suffered a financial loss.

With regard to how the complaint had been dealt with, the adjudicator thought Mr and Mrs M had received a poor service. Hargreaves Lansdown had offered to pay £150 in recognition of this. But the adjudicator thought a sum of £300 more appropriate.

Hargreaves Lansdown did not agree. It said it could not see how an increase from £150 to £300 was justified. It made no comment about the loss the adjudicator thought Mrs M had suffered.

Mr and Mrs M largely agreed with the adjudicator's assessment.

As the matter remains unresolved, it has now been referred to me for a final decision.

## **my findings**

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

It seems Mr and Mrs M decided to move some of their investments from Hargreaves Lansdown to a new provider. They completed an instruction that the investments were to be sold, and the new provider sent this to Hargreaves Lansdown. The instruction was received on 11 October 2013, which was a Friday. So the earliest day on which the sales could be made was the following Monday, 14 October 2014.

Mr M phoned Hargreaves Lansdown on 14 October. From his initial comments, it seems he had noticed some sales had taken place on his account. It is apparent he was concerned about this and felt he was not in control of what was happening. The representative noted that the instruction to sell had been received from the new provider, and so this was the appropriate authority to take this action. But only some of Mr M's investments had been sold, with the majority remaining on his account. Mr M then told the representative that he didn't want any more sales to take place. The representative assured him no further investments would be sold.

Mr M then asked about his wife's investments. The representative informed him these had all been sold. Mr M did not seem happy about this. But he said if they had been sold they should be sent to the new provider. He felt they were better there than left with Hargreaves Lansdown.

It seems from the comments Mr M made that he may not have fully understood the process by which the investments would be moved to the new provider. The instruction given was for the investments to be sold and the money from the sales to be transferred across. This would inevitably mean there was a period when the money was not actually invested. But this could not be avoided unless the new provider was simply able to take over the existing funds. It's not clear to me the provider was either able or prepared to accept a transfer on this basis.

I agree with the adjudicator it's not clear what Mr M would have done if this had been explained to him. But as he seems to have been unhappy about not being in control of his investments, he may well have chosen to keep things on hold while he gave it further thought.

But I think the position with Mrs M was significantly different. By the time of the phone call, all her investments were in the process of being sold. This could not be reversed. So there was no advantage to stop the transfer to the new provider. There would be no benefit to her in leaving the proceeds uninvested. Also, Mr M indicated that the transfer should go ahead.

I therefore think it was wrong for Hargreaves Lansdown not to complete Mrs M's transfer at the earliest opportunity. The adjudicator thought that if this had happened, the new provider could have invested the money on 21 October 2014. Neither party has disputed this assessment, so I consider it is fair and reasonable to use this date to determine whether Mrs M suffered a loss through the delay.

I also think the matter will have caused both Mr and Mrs M some trouble and upset. In respect of Mr M, he was the main correspondent in dealing with the complaint for himself and his wife. I also think he will have been concerned that the transfer did not go ahead as efficiently as it should have done. It's plausible that if all his investments had been sold, in line with the original instruction, and the process fully explained, this may not have resulted in the subsequent complaint.

On the other hand, the transfer of Mrs M's investments was unduly delayed as explained above.

So I think both Mr and Mrs M have been caused trouble and upset. For this reason, I think they should each receive a payment of £150.

### **my final decision**

I uphold the complaint in part. Hargreaves Lansdown Asset Management Limited should calculate whether Mrs M has suffered a loss through the delay in sending the proceeds of her investments to the new provider. If this would have enabled additional shares or units to be purchased, the loss is the current value of those shares or units. This is the compensation Mrs M should receive. If any of the funds purchased at that time have since been sold, the loss should be calculated up to the point of the sale, and simple interest at the rate of 8% a year added up to the date of settlement.

Hargreaves Lansdown Asset Management Limited should also pay Mr and Mrs M £150 each for the trouble and upset they have been caused.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs M to accept or reject my decision before 11 December 2015.

Doug Mansell  
**ombudsman**