DRN-3660212

The complaint

The estate of Mr P complains that Hargreaves Lansdown Asset Management Limited (HL) delayed the processing of the distribution of Mr P's Self-Invested Personal Pension (SIPP) funds to the estate, leading to a financial loss. It also complains that this led to distress and inconvenience.

The estate of Mr P is represented in this complaint by Mrs H on behalf of the administrators of the estate.

What happened

Mr P had a SIPP with HL. He died on 15 October 2019 without a will. He had two adult children and no spouse. Mrs H is Mr P's ex-wife and mother of his children. She helped her children with the probate and letters of administration process.

Mrs H first contacted HL on 28 November 2019 to notify them of Mr P's death. She was told that she should send the death certificate, after which HL would send her an estate pack. Mrs H chased HL for the estate pack, which she had yet to receive, and sent in the death certificate, on 14 December 2019.

HL have since clarified that they issue a Request for Information form, not an estate pack, when distributing a SIPP. They said they issue an estate pack when distributing any product which falls within the deceased's estate. They have confirmed that an estate pack wasn't sent to Mrs H. And that it shouldn't have been sent as it wasn't needed due to the SIPP being held outside the estate. But I'll continue to refer in this decision to whatever term was used in the correspondence between HL and Mrs H.

HL returned the death certificate with a letter dated 3 January 2020. Mrs H said she received this letter on 6 January 2020. The letter confirmed that HL would shortly send a valuation of Mr P's SIPP portfolio, along with the forms needed to settle the accounts. The letter also said that Mrs H should contact them if she hadn't received those documents within 30 days.

HL said the 3 January 2020 letter made it clear to Mrs H that the underlying investments in the SIPP would remain invested unless she told them to sell them. It said:

"Any holdings will remain invested until they're distributed, or we receive instruction from the estate executor or administrator to sell them, meaning their values may fluctuate".

HL felt that having made Mrs H aware of the risks of staying invested it was then her decision whether or not to take on that risk.

Mrs H wrote to HL again on 21 January 2020. She told them she was unhappy with the length of time the process was taking. She detailed the steps she'd taken to date to progress the process.

HL sent another letter dated 22 January 2020, which Mrs H said she received on 30 January 2020. This included a SIPP valuation as at 22 January 2020 and an information request form

that needed to be completed and returned. The letter said that they would use the information provided alongside other information already held to decide who should receive the benefits from the SIPP. They said they would normally be able to make and communicate their decision within 21 days of receiving all the required documents.

HL said that their letter dated 22 January 2020 repeated their warning that the SIPP would remain invested. The letter said:

"*The late [Mr P's] SIPP is invested. We usually sell the investments once the beneficiaries have been determined and they have chosen how to take their benefits as they may wish to move the investments into drawdown. However, if the executors or representatives wish to disinvest the SIPP to maintain its value and reduce its exposure to adverse market conditions, we require a written instruction, signed by all the executors or representatives.* ***If we do not receive such an instruction, the SIPP will remain invested until the beneficiaries have been determined and they have decided how they would like their benefits to be paid".***

Mrs H returned the request for information form to HL on 5 February 2020. I understand HL received this on 10 February 2020.

On 28 February 2020, Mrs H called HL as their decision on beneficiaries had yet to be communicated and more than 21 days had passed since she'd sent in the required documentation. She also sent a letter of complaint to HL, detailing the timeline of the process to date.

On 4 March 2020 – HL sent Mrs H two letters. One of the letters enclosed short forms with the options available to the two beneficiaries, who had now been decided. These had to be completed and returned. The other letter was in response to Mrs H's complaint about the service she'd received. It said that the case had been processed that day. But noted that the SIPP options forms had to be completed and returned before any money could be paid to the beneficiaries.

On 11 March 2020 Mrs H wrote to HL enclosing two completed SIPP Settlement of Benefits forms. The forms effectively instructed HL to sell the shares held in the SIPP.

On 17 March 2020 HL wrote to Mrs H to tell her that the instruction to sell the shares had been received and had been passed to processing.

Mrs H's daughter received 50% of the SIPP proceeds on 23 March 2020.

On 24 March 2020, Mrs H wrote to HL to say she hadn't received a response to her latest complaint letter. She noted that she'd received a letter referring to the deceased as her mother, which was clearly incorrect. She said that her daughter had received a payment from the SIPP proceeds into her bank account. But her son hadn't received any payment. She asked them to check their records to ensure that her son received his payment. And said that she was totally dissatisfied with the service she'd received from HL. She felt there'd been a total lack of empathy for her children's situation, given they'd lost their father.

Mrs H's son received 50% of the SIPP proceeds on 27 March 2020.

HL wrote to Mrs H on 7 April 2020. She said she received the letter on 18 April 2020. HL apologized for the service they'd provided. And offered her £250 for the inconvenience they'd caused her. They acknowledged that Mrs H felt that the value of the SIPP had fallen due to the time they'd taken to process the claim. But didn't consider that they'd caused financial disadvantage.

Mrs H replied to HL on 9 April 2020. She said that the value of the SIPP on 22 January 2020 had been £33,363.69, but that the total her children had received was £23,573.22. So she felt that if HL had acted in a timely manner, her children would've received at least the earlier value. She felt that if HL hadn't delayed the process, the payments would've been made before the value of the SIPP fell. She also felt that HL had shown no empathy during the process. She said it had taken HL 17 weeks to process the claim and that this wasn't acceptable. Mrs H said she expected HL to compensate her children for the financial loss. And to provide further compensation for the distress they'd caused. She asked them to pay total compensation of £13,126.94.

On 20 April 2020 Mrs H wrote to HL again. She said that the two recent letters they'd sent her in response to her complaint had been incorrectly sent to the deceased's former address, despite the fact that she'd provided the correct address to HL. She also noted that her name had been incorrectly spelt on one occasion. She said neither she nor her children were executors of Mr P's estate. And that Mr P's children had been authorised to be administrators of his estate, not executors. Mrs H also said that she was preparing evidence about how HL's actions had caused financial loss and emotional distress to Mr P's children. She wanted that evidence to be considered in HL's response to her complaint. HL said they would wait for that evidence before concluding their response to the complaint.

On 24 April 2020 Mrs H wrote again to HL. She sent information detailing what had actually happened during the process of paying the benefits of the SIPP to Mr P's children. She said this process had taken 85 working days. And that she'd had to make seven phone calls and write 17 letters to progress the claim. Mrs H also sent a timeline detailing what she felt should've happened during the claim. She felt that the process should've taken around 45 working days. And it should've required one phone call and six letters. She said HL should increase their compensation offer for the emotional distress and the inconvenience they'd caused. She asked them to provide £9,330.09 compensation for the financial loss. And an additional 20% of this amount - £1,866.09 – for the emotional distress and inconvenience.

Mrs H acknowledged that she didn't instruct HL to sell the investments. She said this was because she felt HL had indicated that investments were only usually sold once the beneficiaries had been determined and how they'd chosen to take their benefits. She also said that the fact that she hadn't instructed the sale of the investments early on in the process wasn't the reason the financial loss had occurred. She felt the loss had occurred because of the length of time it had taken HL to send out the Request for Information form.

She said that had the correct documentation been sent out in an appropriate timescale, the funds would've been distributed before the market fall. Mrs H also felt that HL hadn't used plain English to explain what she had to do. And felt that they should've made it clear to her that if she wanted to maintain the value of the SIPP she should sell the investments in it. She felt that HL's form should've required the beneficiaries to tick a box to indicate they had read and understood the statement that if the investments were retained there was a risk the value of funds would fall. She felt that other - less important - parts of the form had required boxes to be ticked. Mrs H also considered that if she'd been able to speak to a single knowledgeable contact at HL throughout the claim, the process would've worked much more quickly.

HL sent their final response letter to the complaint on 7 May 2020. They apologised for the service Mrs H had received. They upheld her request for £1,866.09 compensation for the emotional distress and inconvenience they'd caused. But didn't consider that they were responsible for any financial loss. They didn't agree that they should've advised her to sell the investments held within the SIPP in order to preserve the value of the account. They said this was because they'd only ever conducted business with Mr P on an "execution only" basis. They said they could only provide advice after an extensive fact find of the investor's

circumstances and objectives.

HL also said that they'd told Mrs H on more than one occasion that the SIPP would remain invested until the benefits were distributed, or until they'd received an instruction from the executor or administrator to sell the investments. They felt that although it was now known that the SIPP had fallen in value since the first valuation had been provided, they weren't responsible for that loss. They felt that Mrs H had decided to remain invested. And said that she could've instructed the investments to be sold if she hadn't been comfortable with them remaining subject to market movements.

Mrs H said that she'd believed that the shares in the SIPP weren't Mr P's children's property to sell, as this had been the case with other aspects of his estate. She said that HL had never informed her this was the case in all her interactions with them. She said she wasn't asking HL to make good the financial losses suffered because the SIPP investments hadn't been sold earlier in the process. She said that the financial loss had been caused by HL taking 17 weeks to process a claim which she felt should've taken eight weeks. She felt she'd clearly shown that her children would've received substantially more money from the SIPP if the process had progressed in a timely fashion.

HL replied to Mrs H on 20 May 2020. They maintained their decision on the complaint. They felt that the responsibility for the decision to remain invested rested with Mrs H as administrator of the estate. They said they'd found no evidence that they'd indicated that the investments couldn't be sold earlier in the claims process. And noted that they'd explained in their 3 January 2020 letter that the account would remain invested unless they received an instruction to the contrary. They said they'd also included wording in the estate pack which had clearly pointed out that if representatives wish to maintain the value of the estate or reduce exposure to markets, they can provide an instruction signed by all representatives.

Unhappy, Mrs H brought the complaint to this service. Our investigator felt the complaint should be upheld. She felt that HL had caused an unreasonable delay in the payment of the SIPP funds to Mr P's estate. She felt that HL should carry out a calculation to establish whether Mr P's estate had suffered a loss because of the delays she felt they'd caused. She felt that if things had gone as they should, the instruction to sell would've been received on 7 February 2020. Therefore she said that HL should calculate the loss as follows:

- Calculate what the value of the funds would've been if the instruction to sell had been received on 7 February 2020. This is "A".

- Confirm the value of the total funds paid to Mr P's beneficiaries. This is "B".

- Subtract "B" from "A" to get "C".

- If "C" is a positive number, that is the loss the estate has suffered and this should be paid to Mr P's beneficiaries. If "C" is a negative number, there's been no loss and HL don't have to pay any further compensation for financial loss.

Our investigator agreed that the compensation offered for distress and inconvenience was fair, and that it should be paid to the estate in addition to any compensation for financial loss.

Mrs H agreed with our investigator.

HL didn't agree. They made the following points:

- They didn't dispute that there was a delay which had caused Mrs H and the beneficiaries of the estate significant distress, but they felt they'd addressed that

fairly with their proposed compensation.

- They didn't agree that they should be asked to assess any potential financial loss, or that they should be liable for any such loss. They said it wasn't a fair outcome that as the market had moved against Mrs H that HL should cover that loss. They said this was because they'd made it clear to Mrs H in their correspondence of 3 January 2020 and 22 January 2020 that the underlying investments would remain invested unless she told them to sell them. And that they'd also explained that there was an inherent risk that the value of the assets would fluctuate if they remained invested. They said that as they were an execution-only provider they had fully discharged their responsibility to make her aware of the risks of staying invested. And that it was her decision to do so.

- HL also said that they didn't have an advisory relationship with Mrs H. Therefore their role as an execution-only provider was to give her the relevant information to make an informed decision, which they felt they had.

- HL didn't agree that winding everything back as if there had been no delay put the beneficiaries back to the correct position. They felt that this unfairly transferred the risk for market underperformance that Mrs H had agreed to, by staying invested, from the beneficiaries to HL. They felt that if the market had moved the other way, this wouldn't be an issue. And therefore that this wasn't a fair solution.

After HL's points had been shared with Mrs H, she made the following points:

- HL had acted negligently, inefficiently and had badly managed the process, causing numerous delays. They'd also shown a total lack of empathy towards the bereaved family of their late client.

- She agreed that she didn't instruct HL to sell the assets. But said that the financial loss had occurred because of the delays HL had caused. She said that if HL had acted in a reasonable manner, the benefits would've been paid to the beneficiaries well before the stock market started to decline due to the pandemic.

As agreement couldn't be reached, the complaint came to me for a review.

I issued my provisional decision on 25 July 2022. It said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I intend to uphold it. I agree with our investigator that HL should assess if there's been any financial loss due to the delays they've caused. But in order to put Mr P's beneficiaries back to the position they would've been in but for the delays, I also consider that interest should be added to the loss calculated. I'll explain the reasons for my decision.

HL's position is that they accept that the processing of Mr P's SIPP after his death didn't meet the standards that his beneficiaries should've expected. They don't dispute that they caused a delay and that this caused Mrs H and Mr P's beneficiaries significant distress. They said they made an offer of £1,866.09 compensation to reflect the distress and inconvenience caused by the errors they'd made in processing the death claim. But HL strongly disagree that they are responsible for any reduction in value of the SIPP due to the time taken to process the death claim. They said this was because they couldn't provide financial advice. And they'd told Mrs H in both the 3 and 22 January 2020 letters that the underlying investments would remain invested unless she told them to sell them. And that

there was an inherent risk that the value of the SIPP would fluctuate.

Mrs H's position is that although she agrees that she didn't instruct HL to sell the assets in the SIPP, the financial loss had occurred because of the delays HL had caused. She said that if the process had run as it should've, the benefits from the SIPP should've reached the beneficiaries' bank accounts on 3 February 2020. She said that if HL had acted in a reasonable manner, the benefits would've been paid to the beneficiaries well before the stock market started to decline due to the pandemic.

Mrs H said that no other financial organisation that she'd dealt with had ever taken this long to process a sale transaction. And noted that another provider had processed her husband's death claim in nine working days. She felt that HL had taken a total of 85 working days to process the claim.

As HL have accepted that they caused a delay, I considered how long that delay was.

How much of a delay did HL cause?

Mrs H provided a detailed timeline in which she felt that the benefits from the SIPP should've reached the beneficiaries' bank accounts on 3 February 2020.

Our investigator considered that the instruction to sell would've been received by HL by 7 February 2020.

I've carried out a similar review of the time HL took to process the claim. And I've compared this to the usual process and the timescales I'd expect under similar circumstances.

I acknowledge that HL don't have a set timescale for this process, due to there being a number of steps which can take a different amount of time in individual cases. But they've confirmed that once they're informed of a client's death, they aim to send a Request for Information pack out within two days of receiving the death certificate.

Having completed this review, I've reached the same conclusion as our investigator. I'm satisfied that HL should've received the instruction to sell by 7 February 2020, based on the timeline I've noted below.

HL confirmed that once they've been told that a client has died, they aim to send a Request for Information form out within two days of receiving the death certificate. But I understand that they didn't tell Mrs H on her first call that she needed to send the death certificate. Instead, they told her that they'd send the form on 28 November 2019. But then didn't send it until she chased for it. Mrs H posted the death certificate two days after HL told her they needed it.

I consider that if HL had followed their normal process and told Mrs H on her first call that they needed the death certificate, she would've sent it two days later. I say this based on the fact that she sent in the death certificate two days after HL requested it. Allowing HL two days to send the Request for Information form and postage time, I consider that Mrs H should've received confirmation of receipt of the death certificate by 6 December 2019.

Mrs H didn't actually receive confirmation of receipt of the death certificate until 6 January 2020. And she didn't receive the Request for Information form (dated 22 January 2020) and valuation until 30 January 2020. HL said the valuation could take up to 30 days. So I don't consider 24 days to be unreasonable here. Allowing the same amount of time from when Mrs H should've received the confirmation of receipt (6 December 2019), I consider she should've received the valuation on 30 December 2019. Mrs H said she returned the

Request for Information form to HL on 5 February 2020, four working days after receiving it.

HL told Mrs H in their 22 January 2020 letter that a decision on the allocation of funds would normally be made within 21 days of receiving all the documents they needed. But they didn't confirm that allocation until their letter of 4 March 2020, which meant they took considerably more than 21 days after they'd received all the documents. Mrs H sent the documents to HL after four working days. So if HL had caused no delays, I'm satisfied that Mrs H would've sent the required documents by 7 January 2020 (allowing for bank holidays). And, allowing for postage time, I consider that HL would've received these by 10 January 2020. From what I've seen, there was nothing particularly complicated about the decision on the beneficiaries in this case. So I'm of the view that HL should've been able to complete their decision on the allocation of funds within their normal 21-day timescale. And therefore I consider that they should've confirmed the allocation by 31 January 2020.

After the beneficiaries had been decided, the next step in the process was for HL to ask the beneficiaries if they wanted the shares to be sold or re-invested. This request was made in a letter dated 4 March 2020. Mrs H requested that HL sell the shares five working days later, in a letter dated 11 March 2020. Therefore, had the process worked as it should, I consider that the sale instruction would've been received by HL on 7 February 2020. As HL didn't actually receive the instruction to sell until 17 March 2020, just over six weeks later than 7 February 2020, I consider that this is the delay they caused.

If HL had received the instruction to sell by 7 February 2020, I consider that the funds would've reached the beneficiaries' bank accounts by 14 February 2020. I say this because I consider a working week to be a reasonable period of time for the sale to take place and the funds to be transferred. And because the transfer of funds to one of the beneficiaries took six days.

As I was satisfied that HL did cause an unreasonable delay to the payment of the benefits, I next considered what the situation would've been for the beneficiaries if there had been no delay.

What should've happened?

As I noted earlier, HL don't feel that they should need to assess any potential financial loss. They consider that they made Mrs H aware of the risks of maintaining the investment on more than one occasion. They don't consider that they're responsible for the losses arising from Mrs H's decision to stay invested. And therefore they don't feel they should be held liable for any financial loss caused by a fall in the underlying investments in the SIPP. HL consider that they've fairly handled the complaint by making a considerable distress and inconvenience payment in light of the delays they caused.

Mrs H agreed that she didn't instruct HL to sell the investments in the SIPP. She said this was due to the general statement included on the last page of the SIPP Request for Information document. This was included alongside the warning that the value of the SIPP could fluctuate as it would remain invested unless the asset sale was instructed. The statement said:

"We usually sell the investments once the beneficiaries have been determined and they have chosen how to take their benefits as they may wish to move the investments into drawdown…."

*Mrs H said that when she read this statement it was clear to her that HL were telling her that – **usually** – they sold the investments **after** the beneficiaries had been determined and they'd chosen the form of their benefits. She felt that this statement encouraged clients not*

to remove or disinvest their investments.

HL confirmed the beneficiaries on 4 March 2020. Mrs H wrote to HL on 11 March 2020 enclosing two completed SIPP Settlement of Benefits forms for the beneficiaries. These forms instructed HL to sell the shares held in the SIPP. And I think, on the basis of what actually happened and the information provided by HL, it's a reasonable conclusion that Mrs H would've waited until that point in the process to give the instruction to sell the investments.

But this should of course naturally have happened much sooner, had the delays not been incurred. In essence, the point at which Mrs H would've instructed the sale would've been reached earlier.

Therefore I'm satisfied that the beneficiaries should be put back into the position they would've been in had the delays not occurred. I acknowledge that HL don't consider that this is fair. They feel that this unfairly transfers the market risk they say Mrs H had accepted from the beneficiaries to HL. But I consider that Mrs H requested the disinvestment at the point she was always going to request it – that is, as soon as the beneficiaries were confirmed. Had the process run without delay, I'm satisfied this disinvestment instruction would've been made around six weeks earlier, before the stock market fall.

I next considered whether HL should've advised the beneficiaries to disinvest the assets at an earlier point.

Should HL have advised the beneficiaries?

Mrs H considers that HL should've advised the beneficiaries of Mr P's estate to sell the investments and place them into a drawdown account to ensure no potential loss occurred.

HL said that they only ever conducted business with Mr P on an "execution only" basis. This meant that they executed the instructions that he (or his representatives) provided. They said they could only provide clients with advice in response to a specific request. And even then only after an extensive fact find of their circumstances and objectives to allow them to ensure that any advice they provided was suitable.

As HL had no advisory relationship with Mr P or his estate, it wouldn't be fair or reasonable to expect them to give financial advice to his beneficiaries. HL were the investment provider, not the adviser. Therefore there was no requirement on them to provide advice. Nor could they provide such advice to the beneficiaries without carrying out an extensive fact find to ensure that the advice they provided was suitable. So I don't intend to uphold this part of the complaint

I finally considered whether the compensation HL have already offered is fair and reasonable under the circumstances of the complaint.

Distress and inconvenience

HL have offered to pay £1,866.09 compensation for the distress and inconvenience their delays caused. They agreed to this amount after Mrs H requested compensation to the value of 20% of what she felt the beneficiaries' financial loss had been.

In order to assess whether this amount of compensation is fair and reasonable for the distress and inconvenience caused, I need to consider the impact the delays had on the beneficiaries of the estate.

As our investigator said, this service can only tell a business to pay compensation for distress and inconvenience experienced by their customer. In this case, that would be the beneficiaries– Mr P and Mrs H's two children. As Mrs H isn't a beneficiary, this service can't ask for compensation to be paid for Mrs H's time. Instead I must focus on the impact this has had on Mr P's beneficiaries.

Mr P died in October 2019 and the process to access the benefits he held with HL started

in November 2019. During the course of the process to access the benefits, Mrs H, acting on behalf of the beneficiaries, experienced issues such as names being spelled incorrectly, addressees being incorrectly referenced, and letters being sent to the wrong address. HL also repeatedly referenced the wrong forms, which would've been confusing. Given the beneficiaries' father had just died, I can see that all of this would've caused emotional distress as well as considerable inconvenience over this period.

HL's offer of £1866.09 is in line with the award we would make where there has been substantial distress, worry and upset or serious disruption to daily life for a sustained period. I consider that this would apply in this case. And therefore I'm satisfied that HL's offer for the distress and inconvenience they've caused is fair and reasonable under the circumstances.

Putting things right

In summary, I'm satisfied that Mrs H would've disinvested the assets at the point that the beneficiaries were confirmed – as she ultimately did. But had the delays not been incurred, this would've happened much sooner. Therefore in order to put the beneficiaries back into the position they would've been in but for HL's delays, I intend to ask HL to calculate any loss caused by the delays.

Fair compensation

My aim is that the estate of Mr P should be put as closely as possible into the position it would probably now be in if HL hadn't caused the delays. It's not possible to say precisely when things would've happened, but I'm satisfied that what I've set out below is fair and reasonable based on the evidence.

In accordance with the timeline I've set out above, had there been no delays, I think HL would've received the instruction to sell on 7 February 2020. And that the funds would've reached the beneficiaries' bank accounts on 14 February 2020.

What do I intend to ask HL to do?

To compensate The estate of Mr P fairly, I intend to ask HL to:

- *Calculate what the value of the funds would've been if the instruction to sell had been received on 7 February 2020. This is "A".*
- *Confirm the value of the total funds paid to Mr P's beneficiaries. This is "B".*
- *Subtract "B" from "A" to get "C".*
- *If "C" is a positive number, that is the loss the beneficiaries have suffered and this should be paid to Mr P's beneficiaries. If "C" is a negative number, no compensation is payable.*
- *HL should add interest at 8% simple per year on any loss from 14 February 2020,*

when I consider the funds should've reached the beneficiaries' bank accounts, to the date of settlement.

- *If it hasn't already done so, pay Mr P's beneficiaries half of £1,866 – so £933 each - for the emotional distress and inconvenience caused.*

Response to my provisional decision

HL didn't reply to my provisional decision.

Mrs H provided this service with a summary of why she felt the delays had arisen.

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.

No new information has come to light to change my opinion. So I remain of the view I set out in my provisional decision.

Putting things right

In summary, I'm satisfied that Mrs H would've disinvested the assets at the point that the beneficiaries were confirmed – as she ultimately did. But had the delays not been incurred, this would've happened much sooner. Therefore in order to put the beneficiaries back into the position they would've been in but for HL's delays, I require HL to calculate any loss caused by the delays.

Fair compensation

My aim is that the estate of Mr P should be put as closely as possible into the position it would probably now be in if HL hadn't caused the delays. It's not possible to say precisely when things would've happened, but I'm satisfied that what I've set out below is fair and reasonable based on the evidence.

In accordance with the timeline I've set out above, had there been no delays, I think HL would've received the instruction to sell on 7 February 2020. And that the funds would've reached the beneficiaries' bank accounts on 14 February 2020.

What must HL do?

To compensate The estate of Mr P fairly, HL must:

- Calculate what the value of the funds would've been if the instruction to sell had been received on 7 February 2020. This is "A".

- Confirm the value of the total funds paid to Mr P's beneficiaries. This is "B".

- Subtract "B" from "A" to get "C".

- If "C" is a positive number, that is the loss the beneficiaries have suffered and this should be paid to Mr P's beneficiaries. If "C" is a negative number, no compensation is payable.

- HL should add interest at 8% simple per year on any loss from 14 February 2020,

when I consider the funds should've reached the beneficiaries' bank accounts, to the date of settlement.

- If it hasn't already done so, pay Mr P's beneficiaries half of £1,866 – so £933 each - for the emotional distress and inconvenience caused.

Income tax may be payable on any interest paid. If HL deduct income tax from the interest it should tell The estate of Mr P how much has been taken off. HL should give the beneficiaries a tax deduction certificate in respect of interest if they ask for one, so they can reclaim the tax on interest from HM Revenue & Customs if appropriate.

My final decision

For the reasons given above, I uphold this complaint. I require Hargreaves Lansdown Asset Management Limited to take the actions detailed in the "Putting things right" section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr P to accept or reject my decision before 19 September 2022.

Jo Occleshaw
Ombudsman