

The complaint

Mrs K complains that Hargreaves Lansdown Asset Management Limited ('HL') acted unreasonably by failing to provide on-line access to information on an account investment account she held in joint names with her husband. Mrs K also complained that HL delayed sending account information to solicitors when requested.

What happened

Mrs K became concerned about potential activity on a joint investment account she held with her husband. HL placed a restriction on the account and issued a statement with the transactions on the account to date to the address it held for the account. Shortly after this, Mrs K provided a letter of authority to HL for her daughter to have access to her account. This was initially rejected by HL, but later accepted after Mrs K's daughter passed verification checks. Mrs K's solicitor also sent HL a letter of authority, but this was rejected as HL required a templated letter of authority.

HL told Mrs K's daughter that it hadn't received the templated authority from Mrs K's solicitors. Mrs K said she would send in a Lasting Power of Attorney ('LPOA') to HL. Mrs K's daughter sent HL a certified copy of the LPOA in late October 2023 and shortly after HL told Mrs K's daughter it was not prepared to remove all the restrictions on the joint account.

Mrs K's solicitors said they would apply for a court order to obtain the information on the account, but shortly after HL sent the information requested by post to the address it held for Mrs K and her husband.

Mrs K complained to HL that it hadn't acted reasonably when it restricted on-line access for herself and her daughter to the joint investment account. Mrs K also complained that HL prevented her solicitors from registering a letter of authority to obtain information they required when dealing with Mrs K's divorce. HL didn't uphold Mrs K's complaints. HL said that it believed it had taken reasonable steps under the circumstances to ensure the joint account remained secure. HL also said that it hadn't received a completed templated letter of authority from Mrs K's solicitor.

Mrs K's daughter, on behalf of Mrs K, brought the complaint to the Financial Ombudsman Service and one of our Investigators looked into things. The Investigator thought HL had been cooperative and acted in a timely manner and didn't believe it had caused any unnecessary delays regarding the letter of authority or the LPOA. Mrs K asked that an Ombudsman decides the complaint.

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.

My final decision has focused on the crux of Mrs K's complaint; that HL acted unreasonably in withholding access to her and her husband's on-line investment account, which resulted in additional solicitor's fees. I understand Mrs K will be disappointed, but for very much the

same reasons as our Investigator I've decided not to uphold the complaint. I will now explain why.

Mrs K had concerns that another family member, other than her husband, had access to the joint investment account and she contacted HL – through her daughter – to raise her concerns. I won't go into any specific details of what led to a dispute between Mrs K and her husband as both parties are aware of the background, but I will consider whether the actions HL took to protect, or secure the account, were fair and reasonable in the circumstances.

After Mrs K raised her concerns, HL promptly restricted on-line access to the joint account. Although Mrs K's daughter was unhappy that HL wouldn't speak to her about the account, HL explained it didn't have an authority to release information to her. HL spoke with Mrs K, reset the on-line account, and issued an up-to-date transaction history for the joint account to the address it held. Taking into account the concerns Mrs K had raised, I don't think HL acted unreasonably in taking the actions it did at this stage. In line with its terms and conditions, HL restricted access to the account as it had reasonable grounds to suspect the security on Mrs K's joint account had been compromised.

Mrs K submitted a letter of authority to HL giving permission for her daughter to access the information on the joint account, but HL said it would require a LPOA from her daughter if it was to discuss the joint account with her. Around the same time, HL also received a request for information from Mrs K's solicitor, but this was not accepted as HL required the authority to be completed on a templated form. The solicitor had requested a valuation of the fund with a list of transactions and income paid for the last 12 months. Mrs K says that HL didn't respond to this information request or other correspondence sent by Mrs K's solicitor.

It's for HL to decide what its process is for accepting a letter of authority from a third party, like an independent financial adviser or solicitor. HL has taken the decision to ask for a templated letter to be submitted on-line in cases like this as it feels this is more secure. The notes provided by HL support that it wrote out to the solicitor to explain why it couldn't process the request for information unless it received a templated request. The notes provided by HL also support that the solicitor contact HL several weeks later to chase up the request, and that HL provided details of its website to obtain the required template. Of course, I can't say why the solicitor didn't receive an initial response, but I do think that on the balance of probabilities HL sent a response to tell the solicitors what they needed to do request the information required. For completeness, I've not seen that Mrs K's solicitor completed the templated letter HL had requested.

Regardless of Mrs K's solicitor requesting the information, I'm mindful that HL had already posted a significant amount of information to Mrs K's address the previous month (February 2023) and had explained to Mrs K that if she wanted further information like this it could be sent to the address HL held for the joint account. So, although Mrs K believes she has incurred further fees from her solicitor in this regard, I think HL would more likely than not have sent this information to the joint account address if she had requested it, particularly as it had done so previously.

In June, Mrs K's applied for a LPOA with her daughter as the named attorney and in September Mrs K's daughter sent HL a letter from the Public Guardians Office and her Passport. HL responded promptly to say it needed either the original LPOA or a certified copy or the online generated code.

On 12 October, Mrs K's daughter confirmed to HL that she didn't hold a LPOA for the joint account holder – her father. HL explained that unless she had a LPOA for Mrs K and her father, that she wouldn't be permitted to access information online about the joint holdings. Unfortunately, when Mrs K's daughter spoke with HL later in the month, she was given

limited access to view the account. This was revoked the same day when HL explained this shouldn't have happened as Mrs K's daughter didn't hold an LPOA for her father. HL emailed Mrs K's daughter and explained that although she held a valid LPOA for Mrs K, she didn't hold a valid LPOA for the other party to the account. HL confirmed Mrs K's daughter was entitled to any information on the account, but as HL was aware there was an ongoing dispute it could only take instructions to take actions on the account if agreed by both parties – or their attorney's – or following a court decision.

The LPOA for Mrs K's daughter to function as attorney was registered on 23 October and received by HL on 27 October. On 3 November, HL sent the additional information requested by solicitors by post to the address it held for Mrs K and her husband.

I appreciate this has been a challenging time for Mrs K. I can see she was worried that a third party had access to the joint account she held with her husband, but I've decided that HL didn't do anything significantly wrong when it restricted access to the account. HL took reasonable steps to secure the account and when it was certain the account holders address had not been changed by either party to the account, it sent out information Mrs K had requested. I've not seen anything to suggest that Mrs K couldn't have asked for updated information to be sent to the investment holders address as HL had previously done this.

In late 2023, when it became clear that Mrs K's daughter had a LPOA for Mrs K and not for the other party to the account - her father – HL treated this as a dispute. I don't think it was unreasonable for HL to ask for joint instructions from Mrs K and her husband – or their attorney's – or a court order before it could remove the restrictions it placed on the account. I have seen correspondence provided by Mrs K's daughter that suggests HL wasn't satisfied that it had a valid instruction from the joint account holder or his attorney. This led to communication between the solicitors acting for Mrs K and the solicitors acting for her husband, which suggested that both parties had agreed to apply for a court order to direct HL to provide the required information to the solicitors.

Mrs K feels HL put in place unnecessary barriers that prevented her - and later her daughter as her attorney - obtaining the information required for the divorce proceedings and that HL only provided the information when threatened with a court order. HL didn't prevent Mrs K from obtaining information about the account being sent through the post to the registered address it held, but it wasn't in a position to accept any instruction from Mrs K's daughter until it was sure the LPOA had been registered – in late October 2023.

Having satisfied itself that there was an LPOA in place for Mrs K, HL informed Mrs Ks daughter that because Mrs K had previously raised concerns of unauthorised access and because of the ongoing divorce proceedings, the restrictions on the joint account would remain in place until such time as authority to remove them was provided by both account holders (either directly or through a valid LPOA for both account holders), or the Court. As such Mrs K's daughter was unable to view the joint account online, but any information could be arranged to be sent to the joint account holders registered address by post. Shortly after HL was satisfied it could act on the instruction of Mrs K's attorney - her daughter – it prepared the information requested and sent it to the address it held for the joint account holders. Although I can see solicitors wrote to the court about staying proceedings and inviting the court to make an order in this regard, I've not seen any evidence that HL received a court order to supply this information, or that a court order was ever issued in this regard. But I have seen that HL acted promptly in supplying the information requested once it was satisfied Mrs K's daughter was able to provide a valid instruction.

Mrs K says her husband's solicitor also submitted a complaint to HL because they couldn't secure the information required to complete the divorce proceedings. I can't specifically comment in my decision about this complaint, but I can see that Mrs K's LPOA was received

by HL in late October, after Mrs K's husband had complained. The date when HL received the LPOA made by Mrs K is really the key date here. This was when HL felt it was able to act on an instruction from Mrs K's daughter to send the information requested to the joint account holders address, and this is fair and reasonable in the circumstances.

I've noted Mrs K raised a concern about an unsolicited telephone call she received about the joint Investment account. Mrs K believes this call was from HL, but HL says it has no evidence to suggest one of its members of staff made this call. HL point out that the call was made outside of working hours and was made on a mobile phone, which is not something it allows its staff to do. I appreciate this call would have been upsetting for Mrs K, but on the balance of probabilities I think it's unlikely HL made this telephone call.

My final decision

For the reasons provided above, I've decided not to uphold Mrs K's complaint against Hargreaves Lansdown Asset Management Limited.

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

Paul Lawton
Ombudsman