DRN-5234213

The complaint

Mr D complains that AJ Bell Asset Management Limited:

- Caused him to miss out on an investment opportunity because of a fault with its app.
- Gave him wrong information.
- Didn't reply to his complaint about a security incident which led his account to be locked.

He says the shares he wanted to buy increased in price and that AJ Bell's error has cost him £3,000.

What happened

Mr D has a share dealing account with AJ Bell. He had a holding of shares, which I'll refer to as "T". T became the subject of a takeover and on 3 September 2024 Mr D says he tried to buy an additional £30,000 worth of T shares as he suspected its price would increase. He tried to buy the shares but AJ Bell's app wouldn't give him a price. He contacted AJ Bell by secure message and was given the SEDOL number to use, but this didn't work. When he contacted AJ Bell twice more, he was told the shares were available to trade on its platform and he should use the SEDOL or name.

Mr D was still unable to trade through the app and he says the price of T shares increased, as he'd anticipated, and he missed out on the investment opportunity.

He also complained that AJ Bell had not contacted him with the outcome of its investigation into a potential unauthorised log-in to his account which had led to his account being temporarily locked.

AJ Bell said T shares weren't tradeable through its app as its third-party data provider hadn't made them available. It apologised for previously giving him wrong information. It said it couldn't consider any financial loss because Mr D hadn't gone ahead with the purchase of the shares within a reasonable timeframe. But it offered him £100 for the distress and inconvenience caused by the wrong information he'd been given.

Shortly after it sent its final response, AJ Bell emailed Mr D to tell him its security team had completed its investigation of the unauthorised attempted log-in to his account. It said a customer with the same name had tried to log in. It advised Mr D to change his username to something more unique and to change his password to mitigate the risk of this happening again.

Mr D referred his complaint to us. He said £100 doesn't reflect the potential gain he would have made if he'd been able to trade. And that AJ Bell didn't take the matter of the attempt to log into his account seriously – it only investigated after he'd raised a complaint.

Our investigator didn't conclude that AJ Bell was responsible for Mr D's potential investment loss. He couldn't be sure that Mr D would have gone ahead with the purchase if there hadn't been an error with the app. But he thought £200 compensation more fairly reflected the distress and inconvenience Mr D had been caused by the wrong information AJ Bell gave him – on more than one occasion.

The investigator explained that Mr D's concern about the security incident on his account was treated as a query rather than a complaint but that, in any event, AJ Bell had concluded its investigation and provided an explanation within eight weeks of Mr D raising it.

AJ Bell agreed to pay Mr D the recommended compensation of £200.

Mr D didn't agree. He said, in summary, that the investigation centred around what he may or may not have done, rather than the quality of support that he received from AJ Bell. And he said AJ Bell accepted the mistakes it had made during his phone call on 18 September 2024.

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.

AJ Bell has apologised for providing Mr D with wrong information. It told him it should have been possible to purchase T shares. It was only when he complained that AJ Bell told him T shares weren't available to purchase through its app, because its third-party data provider hadn't made them available for trading.

But I agree with our investigator that AJ Bell is not obliged to compensate Mr D for the £3,000 profit he says he would have made if he'd been able to buy and sell the shares as he'd intended. After careful consideration, and on balance, I'm not persuaded that it's more likely than not that Mr D would have made the purchase and sale of T shares when he said he would have if there hadn't been a problem trading the shares on the app. I say this because:

- When Mr D contacted AJ Bell on 3 and 4 September, he didn't tell it that he was trying to trade through the app. When, on 6 September, he told AJ Bell he was using the app, rather than the online platform, the price of T shares had already increased, and I think it was unlikely he would have wanted to place a purchase order at that price.

- Mr D should reasonably have been aware that he could trade online or by telephone. I think that if, as he says, he wanted to buy the shares with a view to making a short-term profit, he would have wanted to buy the shares quickly to avoid the price moving against him. So I think it's reasonable to conclude he would have tried to purchase the shares through these alternative means.

- Whilst I appreciate Mr D had £30,000 available cash in his account, and he'd traded other shares in this volume before, I'm not persuaded by the evidence that it's more likely than not that Mr D would have done what he says he would have. That is, invested £30,000 on 3 September and sold what he'd bought on or around 13 September when the shares reached at or around their highest price.

- Whilst the member of staff Mr D spoke to on 18 September acknowledged he'd been given wrong and unhelpful information, he said he would look into it further. I don't find there was any promise that AJ Bell would pay Mr D for the loss he said he'd incurred; only an undertaking to investigate further.

Whilst I don't find AJ Bell needs to compensate Mr D for the financial loss he says he's made, I do find it provided him with poor customer service. Whilst Mr D didn't make it clear until his third secure message that he was trying to trade through the app, in response to this third message, AJ Bell wrongly told him the shares were available to trade.

It apologised and I agree with our investigator that £200 is fair and reasonable compensation for the distress and inconvenience this wrong information caused.

I appreciate Mr D feels this is a "*slap on the wrist*" for AJ Bell. But our role is not to punish businesses for anything they may have done wrong. Rather it is to resolve individual complaints and award redress where appropriate.

Turning to the second issue Mr D raised, I appreciate he was concerned when his account was temporarily locked in August 2024 following a possible unauthorised attempt to log in. But I'm satisfied with AJ Bell's explanation – that it was due to a client with the same name trying to log in - and the measures it suggested Mr D take to mitigate the risk of it happening again.

AJ Bell investigated the incident and provided Mr D with an explanation on 2 October. I accept this was some time after the incident occurred, and after Mr D had chased AJ Bell for an explanation. But AJ Bell apologised to Mr D during the phone call on 18 September for the delay in communicating the outcome to him and I find that, overall, it acted fairly and reasonably in response to the incident.

My final decision

My final decision is that AJ Bell Asset Management Limited should pay Mr D £200 for the distress and inconvenience it caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 18 August 2025.

Elizabeth Dawes
Ombudsman