

The complaint

Miss W complains about poor customer service she received from Hargreaves Lansdown Asset Management Limited (Hargreaves) which resulted in delays and a loss of income from her investment in UK government bonds.

What happened

Miss W held an execution only account with Hargreaves and contacted them on 26 July 2024 to request information on investing in UK government bonds. She was told she would receive this the same day – she didn't receive this. When she contacted them again on 1 August 2024, she was sent the information requested. She was told on both occasions to fill in forms for complex investments and only when she called on 9 August 2024, she was told the forms were not necessary.

She says by the time she was able to invest her money, significant delays had already been caused by Hargreaves. This meant, the investment wasn't what it was at the time of her original enquiry. She felt misguided by Hargreaves and had to change her approach to investing. As a result of this, there was a financial impact as the prices had changed and she couldn't generate the returns she should have. She spoke to an agent on 9 August 2024 and placed a dealing instruction to buy around £50,000 of the BT Treasury 0.25% 31/01/2025 Gilt online.

Miss W also said the calculated loss due to the missed opportunity is more than £250 based on Bloomberg data. She believes the loss should be calculated based the change in price of the bond investment and not a pro-rata loss of interest based on the purchase made.

Miss W says Hargreaves failed to deal with her complaint and ignored this on two occasions.

In their final response letter on 30 September 2024, Hargreaves said:-

- They accept the first agent failed to provide her the requested information
- They offered her compensation for this failing in service.
- The second agent did provide her the information requested the same day on 1 August 2024 but failed to apologise for the error made in the first call. Feedback was provided for this.
- They said she had received the requested information on 1 August 2024 but it took her eight days to place the instruction, so they didn't agree to causing any delays in this period.
- They agreed to pay for the missed interest at approximately 35p per day for the days they had caused delays.
- They paid her £75 compensation for the poor customer service
- They later offered £2 interest for the delays based on the investment she placed. They calculated this as £124.98 interest for 365 days which equates to 34p per day and multiplied this by the 6 days of delays which amounts to £2.05.

Miss W remained unhappy with Hargreaves response, so she brought her complaint to our service. To resolve her complaint, she would like compensation for loss of opportunity to

invest, an increase in the distress and inconvenience award offered and for Hargreaves' staff to be trained to avoid misguiding other clients.

An investigator here considered the complaint and said Miss W did not specify which investment she was looking at, but also Hargreaves' advisors could have asked additional information to establish whether the complex investment questionnaire was necessary, and they failed to do this. He also said based on the information available, Hargreaves were correct in their calculations and thought their interest and compensation awards were fair. He didn't uphold the complaint.

As Miss W didn't agree with the investigator, this came to me for a decision.

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.

Having done so, I agree with the investigator's conclusion for broadly the same reasons. I would like to take this opportunity to explain that our role at this service is not to tell a business how it should operate, but to consider whether any wrongdoing has occurred. If so, we will consider whether any detriment was caused and try put the consumer back in the position they would have been in if any wrongdoing hadn't occurred. So, I have started by looking at what Hargreaves did and whether their actions caused any loss to Miss W.

I should start by pointing out that Hargreaves offer a non-advisory service so they don't offer any advice on when or how Miss W should invest or the amounts she should invest. Changes in the market and price changes are inevitable which often mean a change in investment strategy is necessary. Any decision she takes on adjusting the amount she invests and where she invests is a decision she takes herself based on the information available to her at that time.

It is already accepted that Miss W didn't need to complete the complex investment questionnaire, but I have looked at the circumstances in which this was requested. Hargreaves informed our service they require their customers to complete complex investment questionnaires when purchasing investments from their platform if they are considered complex investments. They also say not all Government investment bonds require a complex investment questionnaire. When Miss W called to ask for information, she didn't confirm specifically which bonds she was looking to invest in, so she was asked to complete the form.

Whilst that is the case, I think Hargreaves should have asked further questions of Miss W to establish which bonds or investments she was specifically looking at. This would have assisted in establishing that the complex investment questionnaire wasn't required for the bonds she invested in.

Like the investigator, I am also not persuaded that Hargreaves caused delays until 9 August 2024 when Miss W placed her dealing instruction. The information she needed was available to her from 1 August 2024. Whilst the issue of the form was not resolved until she called on the 9 August 2024, Hargreaves had already confirmed they could assist her with this when she had previously called, so I am not persuaded this explains any delay beyond 1 August 2024. Given the short period of time it relates to and the level of inconvenience caused, I think the £75 Hargreaves paid to Miss W to recognise their customer service failings is a fair offer.

I know Miss W has questioned the approach to redress calculations, but my decision is based on what has happened, what evidence I have before me and on balance what is most likely to have happened. I appreciate Miss W is clear herself about what her plans for investments were, but the evidence does not point to this. There is no specific mention to confirm what investments Miss W was intending to make so under the circumstances I can't say with any certainty what she would have done. So, I must consider any potential loss based on the investments Miss W did make. And on this basis, the calculations made by Hargreaves are correct.

I appreciate this matter is very important to Miss W, particularly as she feels she has lost out because of Hargreaves giving her misinformation. But, overall, I am satisfied the compensation they've awarded already is in line with what we would award at this service so I won't be asking them to do anything further.

My final decision

For the reasons given above, I do not uphold this complaint against Hargreaves Lansdown Asset Management Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 29 August 2025.

Naima Abdul-Rasool
Ombudsman