

The complaint

Mr Y complains that he was unable to access funds to make investments through his account with Vanguard Asset Management Ltd (Vanguard).

What happened

The background to this complaint is well known to all parties so I'll just give a broad overview here.

Mr Y has an account with Vanguard which allows him to deposit funds and then make investments as he chooses.

On 7 November 2024, Mr Y deposited a sum of money into his account. He wanted to make an immediate investment but was unable to as the funds he'd deposited weren't available.

He immediately contacted Vanguard to ask it to rectify the issue and allow him to invest.

Vanguard replied on the same day and explained that Mr Y would be able to invest the next working day, 8 November 2024. It said the reason for the delay was when funds were added to an account using a debit card they wouldn't be cleared until the next working day.

Vanguard also explained how Mr Y could, in future, deposit funds and place an investment order at the same time.

Mr Y wasn't happy with this response and made a complaint.

Vanguard responded on 8 November 2024.

It said the funds weren't immediately available as it took at least one working day for them to be cleared. It explained that when Mr Y had made the deposit he'd selected "add cash" rather than "buy investments" on his account and as a self-service online platform Vanguard followed this request.

Vanguard went on to explain the rules governing clearance times for funds placed into accounts were available in the account terms and conditions. And it also explained how Mr Y could deposit funds and make investments on the same day if he wanted to do that in the future.

It also said the funds were now cleared and available for any investment that Mr Y might wish to make.

In summary, Vanguard said it hadn't done anything wrong so wouldn't be upholding the complaint.

Mr Y didn't appear to receive this response and contacted Vanguard on 8 November to say he still couldn't access his money and make his investment and wanted to know what was happening.

Vanguard responded the same day to Mr Y's query to say the funds were available and gave him guidance on how to access them on his account. Mr Y replied disputing this and asked how he could send Vanguard a screenshot of his account to show the funds weren't available.

Vanguard replied on November 11, 2024, explaining how Mr Y could send them a screenshot.

Mr Y uploaded the screenshot on 12 November 2024. Vanguard replied saying the screenshot Mr Y had sent it showing the funds weren't cleared was from 7 November 2024, the day he made the deposit. It reassured Mr Y that the funds were clear and had been on 8 November 2024 and he was free to invest if he wished.

On 13 November 2024, Mr Y told Vanguard the issue was now resolved but thought the issue had taken too long. Mr Y contacted Vanguard again on 13 December 2024 to ask if he was going to get a response to his complaint.

Vanguard replied on 17 December 2024 saying it had sent its response on 8 November 2024 and provided Mr Y with a copy.

Mr Y wasn't satisfied with this response so brought the complaint to this Service.

Our Investigator reviewed all the evidence available and didn't think Vanguard had done anything wrong. He said Vanguard had followed its procedures in line with the terms and conditions of the account and had responded promptly to Mr Y's concerns.

Mr Y wasn't satisfied with this view, so the complaint has been brought to me for a final 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.

I've first considered if Vanguard were within its rights to delay access to the funds Mr Y deposited on 7 November 2024 and from the evidence I've seen I think it was.

Section 1.4.4. of the account terms and conditions state:

"....Payments or Contributions made by direct credit transfer may not be received by us as cleared funds for up to two Business Days....."

In this complaint, the funds were cleared on 8 November 2024, which is within the two Business Days, so I don't think Vanguard did anything wrong by not allowing immediate access to the deposit Mr Y made on 7 November 2024.

In his submissions Mr Y says he was blocked from access to these funds for several days and eventually was able to resolve it himself. He says he continually had an error message displaying on his account.

I've seen no evidence of any error messages that Mr Y may have been receiving around the time of the deposit, but I can see from the evidence available that Mr Y was frustrated that he couldn't trade on the same day he made his deposit.

He clearly wanted to make an investment, which he eventually did on 13 November 2024, and I think his messages to Vanguard around the time of his funds deposit is evidence he was unsure of why he couldn't, and how he could, access his funds.

But having considered all the evidence I don't think Vanguard did anything wrong and I'll explain why.

When Mr Y initially queried why he didn't have access on 7 November 2024 Vanguard immediately responded explaining why this had happened and when the funds would be cleared. It responded the next day to the complaint Mr Y made about this delay again explaining why it had happened and what Mr Y needed to do in future to avoid any future frustration.

When Mr Y told Vanguard he still couldn't access the funds on 8 November 2024 he was assured the same day by Vanguard that the funds were available and, again, was told how he could make his investment. This guidance included a telephone number that Mr Y could call if he wanted any further help.

When Mr Y wanted to show Vanguard the error message he was getting, it told him how to upload the screenshot and then, when it was received, explained why this didn't demonstrate any error as it was a screenshot of the day the funds were deposited when they were still uncleared.

From this evidence I think Vanguard explained in a timely manner exactly what the issue was and why it had happened, how a repeat occurrence could be avoided and offered to speak to Mr Y directly to give him any further help he might need. I've seen no evidence that Vanguard prevented Mr Y from investing from his account after the funds were cleared on 8 November 2024.

Mr Y says he had difficulty in accessing the final response to his complaint Vanguard sent him on 8 November 2024 and only received this when he chased Vanguard for it on 18 December 2024. And he said this caused him inconvenience as he had to rely on the other communication he was receiving from Vanguard around the time of the deposit.

Complaint handling isn't a regulated activity so it's outside the jurisdiction of this Service. So, I can't consider how Vanguard dealt with Mr Y's complaint.

Having said that, I've seen evidence that Vanguard sent the final response on 8 November by secure message. And, having seen the communication that was sent to Mr Y around the time of the deposit, I think this gave him all the information he needed to understand why the issue had arisen and what he needed to do to resolve it.

In summary, I think Vanguard were within its rights to delay access to the funds Mr Y deposited and the explanation, guidance and support it offered Mr Y to resolve his concerns were fair and reasonable.

My final decision

For the reasons stated above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 22 October 2025.

Ben Castell
Ombudsman