

The complaint

Mr S complains that Hargreaves Lansdown Asset Management Limited (“HLAM”) gave him misleading information regarding his Stocks and Shares ISA.

What happened

On 19 January 2024, Mr S contacted HLAM to discuss moving cash from his Fund and Share account to his Stocks and Shares ISA. During this call, HLAM confirmed that it would send him a secure message detailing how he could make a bank transfer into his Fund & Share account and how the funds could be transferred to his Stocks and Shares ISA. Mr S queried if he could take cash out of his Stocks and Shares ISA and HLAM confirmed that he could make a withdrawal, but it would count towards his ISA allowance and would be deemed a new subscription if the funds were returned to the Stocks and Shares ISA. HLAM also confirmed that the 2024/2025 tax year would commence on 6 April 2024.

On 5 February 2024, Mr S transferred £7,000 from his Fund and Share account to his Stocks and Shares ISA online.

On 14 March 2024, Mr S raised a complaint with HLAM as the transfer had resulted in him oversubscribing to his Stocks and Shares ISA and he felt HLAM didn’t provide appropriate information to stop this, as well as receiving misinformation surrounding the process. He said he was informed by HLAM that he could have multiple ISA’s each with their own £20,000 subscription limit.

During a call on 19 March 2024, HLAM confirmed that Mr S would need to contact HMRC and possibly complete a repair notice and suggested he do so in writing to ensure there was a paper trail. HLAM also confirmed that if Mr S wanted to move the funds within his Stocks and Shares ISA, he still could, but it would still count as an over subscription.

HLAM considered Mr S’ complaint but it didn’t think it was responsible for giving him misinformation regarding his payment. In summary, it said:

- While processing an internal cash transfer online, customers are first informed of the total ISA allowance for the tax year and the total amount they have subscribed that tax year. It then informs customers that, should they have not contributed to another ISA away from HLAM, what their left subscription amount is.
- The rules surrounding this are clearly laid out in the Key Features document and its terms.
- Having reviewed the contact it had with Mr S throughout the period in question, it didn’t agree that misleading information was provided to him.
- It noted that it had informed him that he needed to contact HMRC to issue a repair notice and explained that is not a HLAM process and as such, it could only provide limited information to help.

I understand that further telephone conversations happened, and HLAM offered Mr S a total of £100 to recognise any frustration caused.

Mr S remained unhappy and so he referred his complaint to this service for an independent review.

One of our investigators considered the complaint but didn't uphold it. In short, they said:

- They hadn't seen any evidence of HLAM informing Mr S that he could hold multiple ISA's each with their own £20,000 allowance.
- They were satisfied he was sufficiently informed of the consequences and rules when transferring funds into his Stocks and Shares ISA and that HLAM provided him with the correct guidance following the oversubscription.
- Ultimately, it was Mr S' responsibility to ensure he didn't exceed his ISA allowance and to manage any tax implications relating to his account.
- They felt HLAM's offer of £100 fairly reflected that there were times where communications could have been clearer but didn't think HLAM has misled him in any way.

Mr S didn't accept the investigator's findings and so the complaint has been passed to me to decide.

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.

HLAM says it provided Mr S with execution-only services, meaning it didn't give him any advice about his Stocks and Shares ISA and only acted upon his instructions given. This is confirmed in HLAM's terms and conditions:

“HLAM will not provide you with any personalised advice (including investment advice) or recommendations under these Terms, nor is anything on the HL Website or communications from us in respect of your Account to be construed as personalised financial, investment or tax advice.”

As such, I agree with the investigator's view that Mr S was responsible for ensuring that he didn't oversubscribe to his Stocks and Shares ISA and that HLAM isn't at fault for actioning Mr S' payment on 5 February 2024.

However, HLAM did need to ensure that it gave Mr S clear, fair and not misleading information regarding his Stocks and Shares ISA, despite it not giving him any advice. As such, I've reviewed the correspondence between both parties.

I understand that, before making the payment on 5 February 2024, Mr S would have been notified of his total ISA allowance for the tax year and the total amount he had subscribed with HLAM that tax year. HLAM has provided an example screenshot of what a customer sees before making a payment. As such, I think it ought to have been clear to Mr S, how much of his ISA allowance he had available to invest.

I've also reviewed HLAM's Key Features document, which Mr S was required to confirm he had read and agreed to, upon opening his Stocks and Shares ISA. This confirmed the following:

“This tax year (2024/25) you can invest up to £20,000 in an ISA and split the ISA allowance as you wish between a Cash ISA, a Stocks and Shares ISA, an Innovative Finance ISA and a Lifetime ISA...”

So I'm satisfied HLAM had provided Mr S with clear, fair and not misleading information regarding how much he could invest into his Stocks and Shares ISA to ensure he didn't oversubscribe in the tax year.

I'd like to assure Mr S that I've listened to all the available call recordings provided by HLAM and having done so, I'm not persuaded it has acted unfairly. I understand Mr S believes he was told he could hold multiple ISA's each with their own £20,000 allowance. However, there is no evidence in these recordings that HLAM gave him this misleading information.

I'm also satisfied that HLAM gave Mr S the correct information regarding oversubscribing to his Stocks and Shares ISA and it appears to have tried to help him rectify this with HMRC. I recognise Mr S' frustration but HLAM isn't itself able to issue a repair notice on his behalf and he would need to contact HMRC himself to try and resolve the oversubscription.

HLAM has acknowledged that it could have handled a conversation it had with Mr S better on 22 April 2024, when he queried his complaint and wanted to understand his position regarding the oversubscription to his Stocks and Shares ISA. I understand it has offered £100 to apologise for this. Having listened to the call recording provided, I agree that the conversation could have been handled better, as HLAM struggled to locate the status of Mr S's complaint. As such, I think the £100 HLAM has offered fairly reflects any distress and inconvenience caused and so HLAM doesn't need to do anything further.

My final decision

My final decision is that I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 17 October 2025.

Ben Waites
Ombudsman