

## The complaint

Mr H has a Halifax-branded self-invested personal pension (SIPP) operated by A J Bell, which includes a Halifax Share Dealing Limited (“Halifax”) trading account. He raised three heads of complaint against Halifax:

1. A technical fault with the Halifax share dealing system prevented A J Bell from paying him the SIPP’s tax-free cash (TFC) in good time before the government’s Budget at the end of October 2024.
2. When he decided not to go ahead with the (delayed) TFC, similar faults prevented the funds being returned to Halifax or being viewable to trade with, meaning he missed out on an opportunity to buy shares on 1 November 2024.
3. No interest has been credited to his share dealing account despite the cash balance temporarily being £280,000 for four weeks; much more than its current £11,000.

## What happened

Mr H decided that he wanted to withdraw the maximum TFC from his SIPP before a rumoured change to this allowance in the forthcoming Budget. On 11 October 2024 he sold about £270,000 of shares so that there was sufficient cash for the TFC withdrawal.

Between that point and late October 2024 he was going through a three-stage process with A J Bell who had to carry out a number of checks and provide risk warnings, as mandated under the Financial Conduct Authority (FCA)’s rules. One of those stages involved valuing his SIPP so that a tax-free cash illustration could be produced.

My understanding is that this quotation was sent to Mr H on 16 October 2024. However, he says that A J Bell told him that they had encountered a technical issue obtaining the necessary information from Halifax to produce this valuation.

The date of the Budget was 30 October 2024. At that point, A J Bell indicated that Mr H’s TFC request was still with its compliance department. Being aware that it had been Mr H’s intention to withdraw the TFC beforehand, but that the Budget hadn’t made any changes to TFC amounts, A J Bell contacted Mr H the next day to check if he still wished to make the withdrawal.

Mr H agreed to return the pending TFC payment to his SIPP at 7.19pm on 31 October, but did so on the understanding that the money would then be immediately available to him to repurchase the shares he had sold.

On Friday 1 November Mr H said he wasn’t satisfied with A J Bell’s answer that *“the money would be available in due course”*. A J Bell’s benefits team leader phoned back and agreed to place a cash movement ‘urgently’ (the movement was apparently placed that day). A J Bell also agreed at that point to pay a £100 ex gratia amount to Mr H for the original delays in processing his TFC request, and Mr H accepted that offer.

2 and 3 November were non-working days. On Monday 4 November A J Bell emailed Mr H confirming that the funds should appear in his Halifax account by the end of the day.

Evidently A J Bell could already see at the end of the day that the funds were back with Halifax, but Mr H wasn't able to do so until 3pm the following day. A J Bell suggested that the cause of this was a *"technical issue on Halifax's side"*, which Mr H thought was reminiscent of the valuation issue A J Bell had claimed it faced when originally processing the TFC payment.

Halifax's records do show receipt of the funds at 4.30pm on Monday 4 November. However, it's explained that if the funds are received after midday it would usually credit them to the share dealing account the next working day.

Mr H reports that he was able to regain access to trade the released cash when he logged on at 3pm on 5 November. But by this point the share price of the stock he'd wanted to buy had risen, so he complained to both AJ Bell and Halifax. The following day he bought a different stock instead.

A J Bell responded to Mr H's complaint on 2 December 2024. I don't have a complaint against A J Bell in front of me, but to summarise briefly it looks that A J Bell took the view that the delay in paying Mr H his TFC didn't have a consequence because he ultimately decided not to proceed with receiving that sum. It didn't further uphold Mr H's complaint on the basis that he'd already accepted £100 for the time it took to process the TFC.

Mr H's redirected his complaint to Halifax on 9 December 2024, and received two responses in March 2025. In the first on 3 March, Halifax said it had reviewed all 12 calls it received about Mr H's account from 11 October to 14 November 2024. The only contact it received from A J Bell was 3 calls, all on 5 November. Further, there wasn't an email trail of any dispute between A J Bell and Halifax about when the cash should have arrived.

Initially at 12:04pm on 5 November, A J Bell wanted to check Halifax had received the returned TFC payment. But Halifax agrees that there had been a technical issue on its systems that morning which was only just being resolved at the time. So, it accepts neither it nor Mr H could see that the payment had been received. At the time, it advised A J Bell to re-check the account details it had sent the payment to were correct.

When A J Bell rang again at 2:35pm, Halifax was able to see the funds in Mr H's account. A J Bell then called again at 4:31pm, believing Mr H could still not see them at that point and Halifax explained *"Apologies we did have a cash issue this morning where funds were not visible, but this was resolved at [about] 12pm today."* (In any event, it seems Mr H had been able to see the funds when he checked at 3pm.) AJ Bell asked if they could provide that explanation to Mr H and Halifax confirmed they could.

Halifax further issued a final response covering all three parts of Mr H's complaint on 17 March 2025. In summary, it said:

1. It was unable to find a record of any discussion with A J Bell about a valuation difficulty which delayed the production of Mr H's TFC illustration.
2. From Halifax's point of view, the returned TFC was sent by A J Bell on 4 November and applied to the account on 5 November. This was within the standard processing times of both providers.
3. Interest is applied to his account annually and a payment of interest will next be made later that Month.

Halifax agreed that there was a problem on its systems on the morning of 5 November, where customers were not able to see the cash balances from approximately 8am–12pm. It offered Mr H £50 compensation for this. In view of the delay in responding to his complaint, it

proposed adding a further £200 to this, with the total sum being available for six months from the date of its response (that is, until 17 September 2025).

Mr H had already referred his complaint to this service in between Halifax's first response and its final response. Mr H told us he was seeking interest on all cash balances held within the SIPP since opening which, upon his own investigation, had never been paid – even though at various times there had been significant cash balances. In addition, he was looking for compensation for time spent on the complaint.

Our investigator was unable to resolve the complaint against Halifax informally, so the matter was passed to me. As I've noted above, this service hasn't considered a complaint against A J Bell: the complaint form Mr H completed for us named Halifax and quoted Halifax's complaint reference. So I won't be commenting on what A J Bell seems to have done to put things right in this 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 will address each of the three heads of complaint separately. First, regarding the delay in accessing Mr H's TFC, this was primarily a process for A J Bell to complete. The overall timescale, taking into account that there were three stages to the process and compliance checks at A J Bell were required, looks fairly typical for a transaction of this nature.

I can appreciate that Mr H wasn't expecting it to take this long, and that might have been frustrating for him if he wanted to use the money released through the TFC to then trade *outside* the pension. But the process of accessing TFC required his pension to be put into drawdown; and with that standard enquiries about whether Mr H was getting advice, how he was going to invest the rest of the funds, the delivery of risk warnings, enquiries about his existing tax-free cash allowance, and so on. These would likely always have slowed the process down, however confident Mr H might have been about his intentions.

I've not found any evidence, other than Mr H's recollection, of a Halifax technical issue affecting how quickly A J Bell could value his SIPP. Notably, Halifax asked A J Bell for its comments before responding to Mr H's complaint and those didn't highlight the same issue. Halifax has also said it's been unable to find any contact records at the time that suggests A J Bell couldn't obtain a value.

However, even if I were to accept that – as Halifax admits was the case on 5 November 2024 – there was also a short period of time when the system was inaccessible around 16 October 2024, I wouldn't be persuaded that this meant Halifax had materially delayed the payment of TFC such that Mr H suffered a loss. It's also relevant to this that Mr H subsequently decided not to withdraw the TFC, a decision he could only make on or after 30 October 2024 – and he promptly did make that decision the next day. So, I'll move on to head 2 of the complaint.

The timescale for returning the TFC amount to Mr H's share dealing account was only in Halifax's control from Monday 4 November 2024 onwards. I don't think it's inconsistent for A J Bell to say that they could see the funds were with Halifax, but Halifax hadn't yet allocated them to Mr H's account. That's because all received monies are in a pooled client account until they have been matched to the references for individual dealing accounts.

Halifax has explained that as the funds arrived at 4.30pm, it would usually credit them to the share dealing account the next working day. It says there were 871 customers with pending

transactions at that point, so to run a further (ad hoc) reconciliation would have taken well over an hour to run and move the processing outside of normal business hours. It adds that it has 10 working days to allocate the cash, however I think that is a reference to the allocation of "income" (meaning dividends, distributions or interest in relation to investments held in the account) under the terms and conditions.

I don't think that term would apply here, but what that means is that I've been unable to find explicit reference to the scenario of new cash being allocated to the account in the terms and conditions. I note Halifax's website says "*Cash will be available to invest in your account within three working days*", and the SIPP's key features document says similar. That seems to me to be a reasonable timescale but in any event, Halifax's actions here were well within that period.

In determining what is fair and reasonable I take into account not only the terms and conditions (should any apply) but also what I consider to be good industry practice. In that regard it isn't unusual for businesses to allocate payments on the following working day if they're received after a certain cut-off time (in this case 12pm). In considering how Halifax manages its business it's reasonable for it to treat all customers in Mr H's situation in the same way. I don't think prioritising Mr H's payment so that it was processed between 4.30 and 5pm, whilst other customers who had been waiting even longer had to wait until the next day, would have been a fair approach overall.

Halifax agrees that there was then unfortunately a system issue from 8am the following morning, meaning that both it and Mr H couldn't see the credited payment for around four hours. This is covered in Halifax's terms and conditions, which at the time said that it would take reasonable efforts to provide the online service, but it may suspend all or part of the online service where it reasonably considered it necessary, including for maintenance, technical problems and so on.

I've taken into account the short duration of the outage on this occasion, coupled with the fact that the terms and conditions could not guarantee an uninterrupted service at all times. I'm satisfied that Halifax acted reasonably in making A J Bell aware that it couldn't yet locate the payment at 12.04pm, as it couldn't know whether A J Bell had put the correct reference on it.

When A J Bell called back at 2.35pm confirming the payment was referenced correctly, Halifax was by then able to locate it. I also think Halifax would reasonably have understood at the time that A J Bell was in contact with Mr H directly, which is why it agreed that A J Bell could relay an explanation to Mr H that its systems had been down that morning.

I would not expect compensation to automatically be payable whenever there is a system outage, as it depends on the impact on a particular customer. In this case, when Mr H complained to Halifax it offered him a payment of £50 for the upset caused. On our website we explain that we regard payments at this level (less than £100) as tantamount to an apology, but I think that is a fair outcome in this complaint.

I'm not persuaded any greater award should be payable because the losses Mr H considered he had incurred already happened when he wasn't able to repurchase on 1 November 2024 the same shares he had previously sold to fund the TFC payment. He's referred to the price of those shares rising from 1430 pence on 1 November to 1489 pence on 5 November. The bulk of that rise had already occurred due to the timing of the payment being sent from A J Bell late in the afternoon on 4 November, which was outside Halifax's control. Ultimately, this rise in price led Mr H to buy different shares altogether, so he hasn't now bought the shares he considers he would have done if A J Bell had sent the payment more quickly.

It appears to have been at some point between 5 and 6 November that Mr H decided to buy different shares. But I can't reasonably conclude that he would have instantaneously made that same decision in the morning of 5 November (if he had been able to trade on Halifax's platform at that time). His decision was likely prompted by just how far the share price in the original shares had risen overall since 1 November, and the only thing we do know is that Mr H had made his decision and was prepared to buy the different shares on 6 November.

The length of the outage on Halifax's part simply wasn't long enough in my view to demonstrate that it has ultimately affected Mr H's investment decisions one way or the other. As such, I consider Halifax's goodwill payment which is in effect an apology for the disruption to its service is fair and reasonable in all the circumstances of this case.

The final part of Mr H's complaint was that Halifax hasn't paid interest on the temporary balance of £270,000 he held. Halifax's answer to this point was that interest would be paid, but at the end of the year in March. That's consistent with the terms and conditions for the share dealing account when it's held in a SIPP. So, I think Halifax adequately addressed the complaint brought to it, which is what I'm required to determine in this decision.

Separately to this, Mr H has said to our service that he's *never* received interest payments on the balance held in his share-dealing account. Under our rules, Halifax should have an opportunity to address a complaint before we investigate it, and it's not clear to me that Halifax has at any time been aware that Mr H's complaint went broader than the interest he was expecting on his balance of £270,000 (which he wouldn't yet have been due to receive at the point Halifax answered the complaint).

I'm not aware how long Mr H has held this SIPP, but the terms and conditions going back to 2021 do indicate that interest is paid (again annually in March) on cash balances of £1 or more in share dealing accounts that are held within SIPPs. The rates of interest were published on Halifax's website – for example it looks that in around November 2024 a rate of 3.55% was payable.

Mr H will now be in a position to tell if he received an interest payment in March 2025 – he may need to check both the share dealing account and the SIPP bank account in order to locate the payment. If he hasn't received this, or hasn't received payments for earlier years that he expected to receive, I can only suggest that he raises that as a concern for Halifax to investigate because its approach to paying interest looks to be clear.

Finally, I note that Mr H raises concerns about Halifax's complaint-handling, in particular the quality of its answers and how long it took to provide them. Our Investigator suggested that complaint-handling wasn't regulated by the FCA. To explain this more clearly, the FCA does make rules for financial providers to follow when handling complaints. But complaint-handling itself isn't specified as an activity<sup>1</sup> that the Financial Ombudsman Service can consider complaints about.

It is for that reason that I make no comment on whether £200 compensation should additionally be paid for Halifax's delay in responding to the complaint. Noting that this offer expired in the last few weeks, it is open to Mr H to ask Halifax if it's still prepared to pay this sum.

I further note Mr H has commented on an offer Halifax says it made to him over the phone based on 8%pa interest for 5 days he was unable to trade, but he also says that this offer has been withdrawn. I can't comment on this as it also concerns complaint-handling. Halifax

---

<sup>1</sup> Under the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001

has made no reference to it and that is plainly not the position it took in the final response to the complaint. I've now concluded that the offer of £50 made by Halifax in that final response was fair and reasonable.

Mr H was also seeking compensation for the time he'd spent on the complaint, but we exist as a free service to resolve disputes on an informal basis without having to go to court. We do not routinely make awards for the amount of time a complainant chooses to spend when exercising their right to bring a complaint or to refer it to our service.

### **My final decision**

Halifax Share Dealing Limited has already offered to pay Mr H £50 for the temporary loss of access to his share dealing account, which I consider is a fair and reasonable settlement of Mr H's complaint.

As that offer was made after Mr H referred his complaint to the Financial Ombudsman Service, having become entitled to do so, I uphold the complaint. Halifax Share Dealing Limited must now pay that sum to Mr H if it hasn't done so already.

I suggest that Halifax lets Mr H know if its further offer of £200 for its delay in responding to the complaint is still open for his acceptance.

If Mr H remains unable to locate any interest payments he's received on cash balances held in his share dealing account for March each year, he is at liberty to raise that as a further complaint with Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 27 October 2025.

Gideon Moore  
**Ombudsman**