

The complaint

Mr C complains that he couldn't withdraw money from his account with Hargreaves Lansdown Asset Management Limited ("HL") for around three months. He says he had to repeatedly raise the matter with HL and that he wasn't told when the problem had been fixed.

He wants HL to reimburse him for the cost of borrowing the money he needed from elsewhere. And he says the £25 offered to him by HL isn't enough to compensate for the distress caused – particularly as there's been no explanation as to what went wrong.

What happened

Mr C had a fund and share account with HL. Following the sale of shares at the end of March, he only held cash in his account, and he tried to withdraw it using HL's online app. When it didn't work, he phoned HL on 10 April. HL told him there was a servicing issue and that he'd receive a call back when there was an update.

Hearing nothing more, he called HL again on 15 April. HL said the servicing issue was still being investigated but should be resolved shortly. HL said it would phone him, or send a secure message, as soon as the problem was resolved.

Mr C didn't receive any update and on 18 April he complained.

HL apologised saying that a servicing issue, the cause of which was unknown, prevented a withdrawal from Mr C's account. It said it couldn't guarantee its service would be continuous at all times. It confirmed the issue had been fixed and apologised that it hadn't told him earlier. It paid him £25 by way of an apology.

Our investigator didn't recommend that the complaint should be upheld. He said HL's terms explained that it couldn't always guarantee access to its services and that it wouldn't be liable for any delays or interruptions to its service.

HL told us that the problem was fixed on 17 April and the investigator concluded HL should've contacted Mr C to let him know – it didn't tell him until it responded to his complaint on 16 June. Whilst the investigator appreciated this had inconvenienced Mr C, he didn't think Mr C had spent too long chasing HL and didn't think he needed the money as urgently as he said he did – because he didn't make the withdrawal until 2 September.

Mr C didn't agree and thought the investigation had relied on wrong information. He said the issue can't have been fixed on 17 April, because he tried, and failed, to make a withdrawal on 18 April, 16 June and 23 June. He needed the money urgently, but the investigator didn't ask him to provide evidence of the borrowing costs he'd incurred. He didn't think it was fair – or in line with the FCA's consumer duty obligations – that he'd been left without access to his money because of a disclaimer in the terms and conditions.

The investigator considered this additional information but didn't change his view. He said HL didn't have any evidence that Mr C had tried to make a withdrawal in June and that Mr C

hadn't communicated with HL since April. He said he'd taken the consumer duty into account, that he was satisfied that HL had apologised, that there was an issue preventing him from making a withdrawal, and that HL should've told him when it had been fixed. Mr C didn't agree and asked for an ombudsman to decide his complaint. He said, in summary, that:

- The issue wasn't fixed on 17 April – he attempted withdrawals on 17 April, 16 and 23 June. He provided screenshots of the two June attempts. He didn't think it was fair to dismiss this evidence just because HL didn't have a record of these withdrawal attempts.
- The FCA rules require a final response to be issued within eight weeks. HL didn't respond within this time frame.
- The investigator accepts he wasn't obliged to keep chasing HL after raising his complaint. But also criticises him for not contacting HL in June. He says that by June the harm had already been done.
- He'd had to meet essential expenses using his credit card but the investigator didn't ask for evidence of his financial loss.
- The consumer duty obligation has not been properly considered. The duty focuses on outcomes and avoiding foreseeable harm. Being unable to access his own money, and not being told when the problem was fixed, is clearly in scope.
- Compensation of £25 isn't fair given the prolonged failure for him to access his money across all channels, the failure to tell him when the problem was fixed, the delay in issuing the final response, and the actual financial detriment incurred and distress caused.

The proof of borrowing Mr C said he'd provided wasn't attached to his email. The investigator asked him to send this to us, but Mr C hasn't replied.

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.

HL accepts there was a servicing issue which prevented Mr C withdrawing cash from his account. Whilst it hasn't been able to say what the problem was, I'm satisfied that it has now been resolved and Mr C has been able to withdraw his money and close his account.

Problems with services will arise from time to time and, as both HL and the investigator have noted, this is covered in the agreed terms under section A12. But, when problems arise, a business still has a regulatory obligation to act fairly and reasonably, for example by communicating regularly with the customer, acting quickly to resolve the problem, and offering an apology. So I've considered what action HL took when the problem was brought to its attention, and whether it acted fairly and reasonably.

In deciding what is a fair and reasonable outcome, I've also considered the Financial Conduct Authority's Consumer Duty standards which requires businesses to "*act to deliver good outcomes for retail customers.*"

In particular: Under the area of Consumer support, PRIN 2A.2.14R says that: "*A firm must enable and support retail customers to pursue their financial objectives.*" And that: "*Enabling and supporting retail customers to pursue their financial objectives includes acting to empower retail customers to make good choices in their interests, including by..... (3) enabling retail customers to enjoy the use of their product and to switch or exit the product where they want to without unreasonable barriers or delay*" (PRIN 2A.2.20G).

Mr C tried to make a withdrawal on 10 April. HL says the problem was fixed on 17 April. But, despite promises to contact him as soon as the issue was resolved, it only told Mr C it had been fixed in its complaint response letter dated 16 June.

Mr C disputes that the problem was fixed. He says he tried to withdraw his money on 18 April and on 16 and 23 June. He provided screenshots to show his June attempts. HL says that, according to its records, Mr C tried to withdraw money on 4, 8 and 17 April; and made a successful withdrawal on 1 September. It doesn't have a record of any attempts in June. In cases like this, where the evidence is contradictory, I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Whilst HL says its records don't show any attempted withdrawals in June, I'm satisfied, from the screenshots Mr C has provided, that he twice tried to withdraw cash using the online app in June, which was after HL told him the problem had been fixed. It's not clear why he still received an error message, although it's likely from what HL has told us that Mr C would have been able to withdraw his money if he'd followed the advice to phone HL to proceed with the withdrawal.

I think, in all likelihood, that in June, either the problem hadn't been fixed, or had occurred again, causing Mr C further difficulties.

HL has paid Mr C £25 compensation for the distress and inconvenience caused when he couldn't withdraw money in April. But Mr C was still encountering problems with withdrawing his money in June – after HL said the problem had been fixed. This caused him further distress and inconvenience and I've thought carefully about whether an additional compensation is fair.

Mr C has had several opportunities to provide evidence to support his testimony that he needed this money to meet essential expenses and that he incurred costs in borrowing the money when he couldn't withdraw it. But he's not provided that evidence. And he didn't make contact with HL when he couldn't withdraw his money in June, after HL had told him the problem was fixed. He didn't attempt another withdrawal until September. After carefully considering all of this, I don't think Mr C's actions reflect that he needed the money as urgently as he suggests. So, whilst I think he was caused distress and inconvenience, I don't find this had a serious impact on him. In the circumstances I think it's fair and reasonable that HL should pay Mr C an additional £75.

Finally, Mr C complains that HL took too long to provide him with a final response to his complaint. Under the FCA's complaint handling rules, HL was required to provide a response by 13 June but it didn't reply until 16 June, one working day late. I'm satisfied that the delay didn't make a difference to the overall outcome here. I say that because if the response had been received by 13 June, it would seem Mr C would still have encountered the difficulties he faced in June when he tried to make the withdrawal.

My final decision

My final decision is that Hargreaves Lansdown Asset Management Limited should pay Mr C £75, in addition to the £25 already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 20 April 2026.

Elizabeth Dawes
Ombudsman