

## **The complaint**

Mr L complains about the price Hargreaves Lansdown Asset Management Limited trading as Hargreaves Lansdown (HL) gave him when he purchased some shares.

## **What happened**

On 2 March 2022 Mr L was looking to buy some shares in a company I'll refer to as A. The price at the time was around 65p, but the volume of shares Mr L was looking to buy combined with the volatility in the share price of A meant that a deal for 65p never took place. Instead, the trade was executed at a price of 70.1p.

Shortly after the trade, Mr L called HL to complain. HL looked into his concerns, but didn't think it had done anything wrong. It said that it didn't set the market price, and it merely transmitted the price it was receiving from its market makers to Mr L in the form of a quote that was live for 15 seconds. It said that Mr L accepted that quote and the trade was executed correctly.

Mr L didn't agree and referred his complaint to this service. In his complaint he said:

- He accepted the price of 65p for his transaction, but 'it was later surprisingly changed to 70.1p' – this meant it cost him £500 more than he intended 'and agreed to pay'.
- He immediately complained about this error, but was told there had been no mistake and that he had 'accepted' the quote of 70.1p which he disputed.

One of our investigators looked into Mr L's complaint, but didn't think it should be upheld. In short, she concluded that the evidence showed Mr L had accepted a quote of 70.1p, and that the pricing data she had seen supported HL's explanations for why the price fluctuated so significantly at the time. She also referred to his phone call with HL shortly after the transaction, in which Mr L confirmed himself that he had accepted the quote of 70.1p, but was unhappy that this quote appeared to him to be higher than the prevailing market price.

Mr L didn't agree. He maintained that the price he accepted was 65p, not 70.1p, and that HL had changed the price of the trade without his agreement. He maintained that he was no liar, and this was clearly an error by HL.

There was some further correspondence, but as the matter couldn't be resolved, the case was 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.

I'm sorry to disappoint Mr L, but I don't have much to add to what the investigator has already told him. I've read and considered his submissions and the evidence he has provided, but I won't be commenting on anything I don't consider relevant.

The starting point is the contract note which Mr L received that clearly shows the price his trade was executed at. This price wasn't set by HL – it was the price it received from the market. In my experience, it's unlikely a trade like this would go ahead without the price being accepted by the consumer. Mr L has provided no evidence of the price of 65p which he says he accepted at the time, except for his testimony. But his testimony has not been consistent. I'm not finding that Mr L has been untruthful – but his second phone call with HL immediately after his trade is persuasive evidence that nothing in fact went wrong with this transaction. I find this call persuasive because it was immediately after the trade.

In this call, Mr L explained the difficulties he'd experienced in buying shares in A at the price of 64 or 65p. He explains that he tried a few times, and whenever he accepted that price the transaction didn't go through. He then explained that when he finally managed to get a price that he was able to accept, it was 70.1p – but he then noticed that on HL's website shares in A were trading at 64p immediately after. His query to HL was about this discrepancy, and not an error with the transaction itself. HL explained to Mr L about the fluctuation in A's price on the day, and explained that he was trying to buy significantly more shares than the exchange market size which also affected the price he was being quoted. When HL summarised to Mr L what had happened, Mr L repeated very clearly that 'the 15 second quote was obviously 70.1p' – but he complained that this price was 'completely out of line with reality'.

Taking all this into account, including the contemporaneous evidence from Mr L at the time, I'm satisfied that Mr L was given a price of 70.1p to buy the shares in A which he accepted. I'm not persuaded he accepted a quote of 65p that was unilaterally changed later by HL. In terms of this price, whilst I understand why he was dissatisfied, I think HL has clearly explained and demonstrated this was the prevailing market price at the time for his trade, and as such, it executed his trade in line with relevant standards on best execution.

For these reasons, I'm satisfied that HL executed Mr L's order correctly and needn't do anything further to put things right.

### **My final decision**

My final decision is that I don't uphold Mr L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 19 September 2023.

Alessandro Pulzone  
**Ombudsman**