

The complaint

Mrs M complains Aviva Life & Pensions UK Limited has incorrectly charged her for use of its investment platform.

What happened

Mrs M held investments with Aviva that were managed by an IFA. On her behalf, the IFA negotiated a special discount on Aviva's platform charges, which should've been applied in around January 2020.

Some months after this, Mrs M and the IFA parted ways. Aviva increased its charges as a result. Mrs M complained about this, and that matter has already been the subject of a full investigation and a final decision by an ombudsman at this service.

More recently, Mrs M has complained the IFA's special discount was never applied to her accounts as it should've been, and that the discount was supposed to remain in place following the IFA's departure. She's referred this complaint to our service.

I dismissed some elements of Mrs M's complaint. I explained it wouldn't be appropriate for us to look again at the charges applied after her IFA had departed, as we'd already made a decision about them in her previous complaint. But I explained that we would consider whether Aviva had been charging her correctly prior to the IFA's departure.

Following an investigation, Aviva explained it hadn't correctly applied the discounted rate of charges on some of Mrs M's investments. It offered to refund its charges with interest, and to compensate Mrs M £150 for any distress or inconvenience caused. Aviva went on to explain that the correct rate of charges had been applied to the remainder of Mrs M's investments.

Our investigator endorsed Aviva's offer as being fair. They were persuaded that:

- On the majority of Mrs M's investments, Aviva had evidenced she was correctly charged the discounted rate, prior to her IFA's departure.
- On the investments Aviva had failed to apply the discounted rate, they were persuaded Aviva's offer fairly and reasonably redressed Mrs M.
- The investigator was persuaded Aviva's offer of £150 fairly addressed any distress or inconvenience these events had caused her.

Mrs M appeared to accept Aviva's offer. But it was then suggested she wasn't happy with Aviva's offer of £150, so the matter's been referred to me.

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.

Having considered the matter in full, I'll be upholding this complaint for largely the same reasons given by our investigator.

Aviva has evidenced that for the most part, it correctly discounted its platform fees in line with the agreement it reached with Mrs M's former IFA. I've seen no evidence that would give me cause to doubt Aviva's calculations. Accordingly, I don't think it would be fair or reasonable of me to have Aviva refund any of these fees, which the evidence shows are applied as standard to customers like Mrs M.

With that being said, Aviva has accepted it mistakenly charged Mrs M on some of her investments. I've reviewed Aviva's offer to refund its charges with interest, and I'm satisfied this offer is broadly fair and reasonable in the circumstances. I say this because in my view, the offer essentially returns Mrs M to the position she'd most likely be in, but for Aviva's mistake.

Lastly, I've considered whether Aviva's offer of £150 to Mrs M should be increased. I'm not persuaded Aviva's caused Mrs M more than a modest amount of distress and inconvenience in its dealings with her in this case. As such, it's my opinion that Aviva's offer fairly and reasonably addresses the impact its actions have had on Mrs M. I'm not recommending its offer should be increased.

My final decision

My final decision is that, if it has not already done so, Aviva Life & Pensions UK Limited should make good on its offer to reimburse Mrs M for her charges plus interest, and pay her £150 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 30 May 2024.

Marcus Moore
Ombudsman