

The complaint

Ms W complains that AEGON INVESTMENT SOLUTIONS LTD (Aegon) provided an incorrect tax voucher, which she relied on for her tax return. She also complains about the level of customer service provided by Aegon in investigating and resolving this error.

What happened

Ms W holds both an ISA and General Investment Account (GIA) with Aegon. Tax vouchers are issued for GIA products shortly after tax year end if rebates, dividends or interest on cash was received.

Ms W was sent her 2023/24 voucher in May 2024. On 10 July 2024, having realised there to be a vast difference with previous years, Ms W's financial adviser, Mr R, contacted Aegon to query this.

Aegon took some time to respond - 5 August 2024 to say it was investigating the discrepancy followed by 14 August 2024 when the revised statement was uploaded onto Ms W's online document store and sent by post to her.

In August and September 2024, Mr R contacted Aegon to chase for the revised statement. The telephony agents incorrectly told Mr R that the case was still under investigation and that a revised statement would be sent in due course.

On 4 September 2024, Aegon's platform administrator sent Mr R an email erroneously indicating that the initial tax voucher was correct. The email claimed the increased distribution amount was due to additional units being purchased, resulting in a higher payout. The following day, the administrator sent a further email to Mr R confirming that an error had been identified, meaning that the distribution from April 2023 had to be reversed and reprocessed correctly. This was done manually and completed on 8 August 2024. The email attached the correct statement, which was produced and dated 14 August 2024 after the corrective work was completed.

There was more back and forth communication between Mr R and Aegon – with the issue now having been progressed to the complaints team. Between 13 and 17 September 2024, Aegon communicated the incorrect tax voucher incident had affected multiple clients and was the result of human error. All affected clients' vouchers required manual reprocessing, with Ms W's case being given priority. An email dated 17 September 2024 confirmed that the statement produced on 14 August 2024 was correct.

Aegon considered the complaint and agreed that its standard had fallen short of expectations. It offered £500 compensation and sent flowers, but Mr R, acting on Ms W's behalf, stated that this was not sufficient. He shared an email from Ms W detailing the impact the situation had on her noting that £500 would not be enough to cover the accountant's bill or compensate for the interest lost when having to surrender a fixed rate bond to pay the tax bill. Her email also outlined the time she had spent speaking to an accountant, HMRC, having to amend her tax return, and sending emails to Mr R. Ms W highlighted the stress

Aegon had caused and argued that they should pay her consultancy fee for having identified the error, as well as refunding fees they had charged her the previous year.

The complaints team stated they could see no instances of financial loss and requested that Ms W demonstrate how she had been financially disadvantaged. But since, no evidence of financial disadvantage was provided, Aegon maintained their position that the compensation they had offered was fair. Dissatisfied with this outcome, Ms W accepted the compensation offer while reserving the right to refer the matter to this service.

One of our investigators considered the matter. In summary he said Ms W would have needed to surrender her bond to pay her tax bill and although Aegon had made errors, he thought the compensation payment of £500 to be consistent with the award he would have otherwise recommended. He was satisfied that Aegon addressed the issue within a reasonable timeframe, noting that even if the resolution had taken additional time, the compensation amount would have remained unchanged. He didn't think Aegon needed to do anything further.

Unhappy with this and as no agreement could be reached, the matter was passed to me for a final 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.

Having done so, I'm not intending to uphold Ms W's complaint for broadly the same reasons as the investigator. I'll explain why, but before I do, I should emphasise that while I've taken note of the correspondence, arguments and comments made by both parties, I have limited my response to what I consider to be the issues central to this complaint.

I'd like to firstly say I have sympathy for Ms W. I can appreciate it will have been both frustrating and disappointing to have experienced the level of service she has from Aegon regarding the matter of her tax voucher. Understandably, Ms W is deeply unhappy about what happened. Not only did Aegon make an initial error when calculating the distribution payments, it compounded the error when it failed to inform Ms W of the corrective work completed on 8 August 2024 until the following month. Further, Aegon told Mr R that the matter was still under investigation despite having already uploaded the revised statement to Ms W's document store and then provided incorrect information via email on 4 September 2024.

There's no dispute about the fact Aegon made a number of errors. The issue I have to decide is whether the action Aegon has taken satisfactorily resolves the matter considering what happened.

Financial Loss

In the communication shared with Aegon, Ms W has said she'd like Aegon to pay her more than the £500 she received as her financial losses alone exceeded that sum. She's made specific reference to the costs for an accountant, and the interest lost from having to surrender a bond. I've carefully considered what Ms W has said. In a situation like this, we aim to put consumers back in the position they would have been in, had the error not occurred and the correct information been given.

I note that Aegon requested Ms W to demonstrate her losses. However, this service has not been presented with evidence of substantiated financial loss. Furthermore, as the

investigator observed, Ms W would always have needed to surrender her bond in order to pay her tax bill. Therefore, I cannot see that Ms W has provided this service with evidence to support her claim that Aegon's actions resulted in her unnecessarily surrendering the bond at a financial disadvantage to herself.

Should Aegon refund Ms W's management charges?

Ms W told this service how much she'd paid Aegon to manage her investments. She felt it should refund those fees given the errors it'd made.

Aegon charged management fees – which were charged in line with its terms and conditions – to cover its administration of Ms W's investments. I acknowledge that Ms W doesn't consider that Aegon correctly administered her account, but I can't agree that this means that it should be required to refund the annual management fee.

I say this because I'm satisfied that Ms W's investments have been managed in line with her requests but for the mistake with the tax voucher and that too, has since been rectified. Therefore, the administration Aegon has carried out overall, has been successful, despite the administrative error it made. As such, it wouldn't be fair or reasonable to require Aegon to refund the fees it took for the service it provided, despite that service not always having been perfect. Having said that, I will consider the impact of those errors on Ms W in the next part of my decision.

Distress and Inconvenience

Ms W said that Aegon's failure to correct send her the tax voucher caused her concern about owing tax to HMRC. She said Aegon's errors had led her to make numerous calls and that this had led to additional inconvenience and stress over the period it had taken to resolve.

The matter was initially raised on 10 July 2024, with Mr R being notified of the corrective work on 5 September 2024. While I note Ms W's assertion that she was not aware of the resolution until 3 October 2024, I cannot agree. The evidence shows that Aegon emailed Mr R on 5 September 2024 with the following:

"Since I emailed you yesterday, I have been provided with further information. An error was identified on the wrapper. This meant that all the distributions from April 2023 to date were reversed, then re processed correctly. There was a manual job done to correct this. It was completed on the 8th of August...I attach the correct statement which produced and is dated the 14th of August, after the correction work was done."

I am therefore satisfied Mr R was made aware at this point that the tax voucher correction was resolved. This means Aegon took approximately two months (between 10 July and 5 September 2024) to address the issue. I appreciate the email from the previous day may have caused confusion, but even with this in mind, I'm satisfied that Aegon provided an answer yet again on 17 September 2024 when it once more, emailed Mr R to confirm the corrective work of 8 August and statement date as 14 August 2024.

I've thought carefully about the impact of Aegon's error on Ms W. I can see that it caused her distress and inconvenience over the tax she owed to HMRC. Had Aegon not made an offer, I would've recommended that it pay Ms W some compensation for that. Given what I consider to be the impact of Aegon's errors, the compensation I would've directed it to pay would have been the same. Therefore, as it stands, I think Aegon's compensation of £500 overall fairly compensates for the impact its errors have had on her.

I don't underestimate or doubt Ms W's sincerity or strength of feeling in bringing her complaint to this service and I understand that my decision may come as a disappointment to her, but for the reasons I've explained I won't be asking Aegon to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 26 September 2025.

Farzana Miah
Ombudsman