

The complaint

Ms S complains about the service she received from Aspirations Financial Advice Ltd (“Aspirations”).

She says she paid an ongoing advice charge (OAC) or similar but didn’t receive an annual review which she was entitled to.

She also complains about a delayed transfer of her ISA and not receiving a capital gains tax (CGT) statement.

What happened

Ms S’s investment portfolio with Aspirations started in April 2021. It included the following:

- Novia SIPP, valued at £20,537 (including tax relief).
- Novia Stocks and Shares ISA, valued at £20,000.
- Novia General Investment Account (GIA), valued at £60,000.

In July 2022, Ms S was notified that her existing financial adviser had left the company and that a new adviser had been appointed.

In September 2022, her new adviser invited her to a financial review, but she declined because she was leaving to work abroad again. She didn’t return until June 2023.

In August 2023, after realising that she’d been paying for annual reviews (that she didn’t receive) she complained to Aspirations. She felt it was unreasonable that she’d paid fees but didn’t receive an ongoing service.

In late August 2023 Aspirations arranged a meeting with Ms S when a financial review took place. It was agreed that Ms S would need a new ISA provider as she was making a large withdrawal to fund her son’s property purchase. Ms S says the main reason for this call (meeting) was to talk about her cashing out the GIA account for her son’s property purchase.

In September 2023, Ms S appointed a third-party business (the transferee) to transfer out her ISA from Novia (also known as the transferor).

In the meantime, Aspirations upheld the complaint. In a Final Response Letter (FRL) dated October 2023, it said:

- It was unable to find any evidence that the key documents – about cost and charges – were provided to Ms S as it was required to by regulation, along with formal invites to annual financial review.
- It refunded the fees charged for 2022 and 2023 (in the sum of £1,613.20) – charged for the SIPP, GIA, and ISA.

Ms S rejected the offer, so in response Aspirations offered to refund all of the fees charged – in the sum of £2,263.62 – taken since 2021 as full and final settlement of the dispute.

Whilst Ms S accepted Aspirations offer of compensation in principle, she didn't accept that this resolved her complaint with regards to the ISA transfer for which she felt Aspirations was responsible.

On 1 November 2023 the ISA transfer was completed, and money was deposited with the transferee bank and invested into the "One Year Fixed Rate Cash ISA Bond Issue 80".

One of our investigators considered the complaint and thought it should be upheld but only insofar as Aspirations should pay interest on the fees that had been repaid on the basis that Ms S was deprived of those funds. In summary, he said:

- The contentious point of this complaint is the delayed ISA transfer.
- Aspiration has confirmed the following:
 - "I would state here that Aspirations were not involved in anyway with this transfer, this was not done at our request or recommendation to the client. Because of this fact I have no information on it."
- Novia as transferor was responsible for the administration of the ISA transfer, not Aspirations, therefore it's not something that Aspirations can be held responsible for.
- The transferee would've contacted Novia, so any issues relating to the response to that request would involve Novia (as transferor) not Aspirations.
- Despite what Ms S says about contacting Aspirations with regards to the ISA transfer, this wouldn't have made a difference as only the transferor and transferee were in control of the process.
- For the same reason, Aspirations also isn't responsible for providing the CGT document. That was a matter for Novia.
- Aspirations couldn't have gained access to the capital gains (loss) report until after Novia sold the holdings.
- In any case, Aspirations refunded all of the fees charged since 2021 but it should add 8% for the deprivation of funds.

Ms S disagreed with the investigator's view and asked for an ombudsman's decision. In summary, she made the following key points:

- She was led to believe that Novia only deals with advisers.
- She was advised by Aspirations to find a new ISA provider which she did. She was under the impression that Aspirations (as adviser) would then inform/liase with Novia, but it didn't.
- When she initiated the transfer Aspirations was still her adviser, therefore it should have contacted Novia.
- Her main concern is the abrupt termination of the client adviser relationship, and the repercussions of that abrupt ending – namely lack of communication with Novia – which the investigator hasn't understood or appreciated.
- On 6 October 2023 she contacted Novia to find out about the ISA transfer, she also requested information about the GIA account for tax purposes. Novia informed her that Aspirations hadn't yet advised her to stop trading on the ISA pending the ISA transfer taking place.
- The timing of the termination of the client-adviser relationship was abrupt, via email on 9 October 2023, but it didn't inform the platform.
- It's incorrect that she was offered an annual review in April 2022. The request happened in late 2021.
- The 22 August 2023 meeting was when a consumer duty point came up that Aspirations failed to address in its response. Aspirations tried to conduct a review rather than explain the process of cashing out the GIA. The post review letters sent

also contained errors.

- Aspirations is partially responsible because terminating its relationship with her made it difficult for her to contact Novia – because it's a platform and it was expecting dialogue to go through Aspirations.
- It could've also told Novia to stop trading whilst she sorted out a new adviser, which is what the complaint is about.
- It's not about whether or not Aspirations had control but whether or not it notified Novia to stop trading and letting Novia know that its client relationship with her had ended, which would've allowed her to liaise more smoothly with Novia.
- The latter was what caused her issues obtaining the tax documentation.

The investigator having considered the additional points wasn't persuaded to change his mind. In summary he said:

- Aspirations explanation for ending the relationship is:
 - "We implemented a minimum fee of £2000 per year for ongoing advice during 2023. As Ms S only had modest amounts of funds with Aspirations, Ms S decided she no longer wanted to pay ongoing advice fees."
- From a commercial perspective, Aspirations is entitled to end the relationship with a customer if it wants to.
- Ms S didn't suffer a financial loss as such, other than the 8% interest, which he feels Aspirations should pay.
- Aspirations investigation into her concerns were quick, fair, and reasonable.
- Its disengagement with Ms S didn't restrict her engagement with Novia.
- Even if she had a relationship with Aspirations, she'd still have to interact with Novia and the issues she had wouldn't have been avoided where Novia was responsible.

Aspirations agreed with the investigator's view and asked if it could just add 8% to the total amount of fees due rather than adding 8% to each payment from the date of payment to the date of settlement, as suggested by the investigator.

As no agreement had been reached, the matter was passed to me for review.

On 28 November 2024, I issued my provisional decision which forms a part of this final decision. In it I said:

"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, subject to any further submissions, provisionally I'm going to uphold this complaint.

I think Aspirations should refund all fees charged for the missed annual reviews, because I don't think it was reasonable to charge a fee for a service that wasn't provided. I'm aware that Aspirations has already conceded this point.

The above notwithstanding, I can't say that Aspirations is responsible for the delayed ISA transfer because I don't think it was a part of the process. Even if it ended the relationship with Ms S, and as a consequence didn't inform Novia of this, this doesn't mean its responsible for any delays or any financial loss arising out of this.

Whilst I note Ms S accepted Aspirations offer in principle, to put things right, Aspiration should do the following:

- *Refund the fees charged for all missed annual reviews – I note Aspirations has*

already offered to refund the fees charged for 2021, 2022 and 2023.

- *Pay any investment returns based on the actual growth of Ms S's investment, from the date the fees were taken to the date of settlement.*

Before I explain further why this is the case, I think it's important for me to note I very much recognise Ms S's strength of feeling about this matter. She has provided detailed submissions to support the complaint, which I've read and considered carefully. However, I hope that she and Aspirations won't take the fact my findings focus on what I consider to be the central issues, and not in as much detail, as a discourtesy.

The purpose of my decision isn't to address every single point raised under a separate subject heading, it's not what I'm required to do in order to reach a decision in this case. My role is to consider the evidence presented by Ms S and Aspirations, and reach what I think is an independent, fair, and reasonable decision based on the facts of the case.

I uphold this complaint, in summary, for the following reasons:

- *Aspirations concedes that it didn't provide Ms S with all the key documentation (relating to cost) as it was obliged to under the relevant regulations.*
- *Based on what Ms S says, I note she only found out in 2023 that she was paying for a service that she didn't receive. In other words, she was paying for annual reviews that she didn't receive from Aspirations – and she was unaware of this.*
- *In the circumstances it's questionable whether Ms S knowingly signed up to this service, but this isn't now a question I need to answer given Aspirations' willingness to uphold this complaint and offer a refund.*
- *For the record, I think Aspirations was right to uphold this part of the complaint and refund fees for any missed reviews. I don't think it's reasonable that it should charge for a service that it didn't provide, even in circumstances where the customer refuses an appointment because they're busy. I don't think Aspirations seeks to dispute this.*
- *I note that in response to Ms S's unhappiness, Aspirations offered to refund all fees taken since 2021.*
- *I'm aware that Ms S, in principle, agrees with the refund of fees but appears overall unhappy about the resolution of the complaint which is why I think the investigator considered redress as well as the delay aspect of the complaint.*
- *Despite what the investigator said about how to put things right, I think Aspirations should, in addition to the fees taken, refund the growth of the investment if there hadn't been a deduction for this fee. That's why, unlike the investigator's recommendation, I'm not asking for the 8% interest which I don't think is reasonable in the circumstances. And for clarity, this redress is in addition to the refund of the fees.*
- *So, Aspirations needs to calculate the actual growth of the investment, from the date each fee was taken – but as if the deduction wasn't made – every month, until the complaint is settled.*
- *The purpose of my redress is to put Ms S into the position that she would have been in had the fees not been taken. She's not only lost the value of the actual fee taken but any investment returns that fee would have attracted had it stayed in the investment from the time it was taken up until now.*
- *For example, if we're looking at a £100 fee taken in January 2022 and Aspirations can show that Ms S's portfolio has grown a total of 32% between January 2022 and now, then the refund for that fee ought to be a total of £132. That process needs to be completed for each fee taken for a missed review.*
- *In relation to the complaint about the delayed ISA transfer, I don't think that's something I can blame Aspirations for.*
- *Aspirations was an adviser to Ms S, it wasn't the platform provider or manager. The*

transaction, in the main, was between Novia (as transferee) and the transferor so Aspiration had no material part to play in the process and therefore I can't safely say that it's responsible for the way things were handled. I'm aware that the instructions would've come from the transferee and sent to the transferor.

- If Ms S specifically wanted Novia to stop trading (and it wasn't taken as read that she did) she could've made this clear to Novia. There was nothing stopping her from doing so if that's what she wanted.*
- I'm also aware that the relationship between Aspirations and Ms S had ended, therefore it wasn't obliged to act on her behalf, let alone on a proactive basis. It's arguable that if Novia/and or the transferee wanted to check/confirm something from Aspirations and/or Ms S, they were also free to do so.*
- Despite what Ms S says, not informing the transferor that the relationship between it and Ms S had ended doesn't mean it's responsible for any delays.*
- Despite what Ms S says, a business is entitled to decide who it provides a service to. It's under no obligation to continue to provide a service to a customer if it doesn't want to. Especially in circumstances where fees for ongoing advice and service was terminated.*
- I'm mindful Ms S is unhappy about the way her complaint was handled by Aspirations – she's unhappy it hasn't answered all of her questions – but that's not something I can consider a complaint about because it's not a regulated activity. The exception is where this is ancillary to a regulated activity, which I don't think is the case here.*
- I note Ms S has mentioned consumer duty, but in the overall circumstances and on balance, I can't safely say that Aspirations has treated her unfairly so far as the latter part of her complaint is concerned.*

I appreciate Ms S will be unhappy I've reached the same conclusion as the investigator. Furthermore, I realise my decision isn't what she wants to hear. But on the face of the available evidence, and on balance, whilst I am upholding the complaint and awarding redress, I'm unable to give her what she wants."

I gave the parties an opportunity to respond to my provisional decision and provide any further submissions they wished me to consider before I considered my final decision, if appropriate to do so.

Aspirations responded and accepted my decision. It said: "*We accept the Ombudsman's provisional decision*".

Ms S responded and accepted my provisional decision. However, she made several points, including the following:

- She wanted to make clear that she hadn't received a refund of the fees.
- She's unsure what the date of settlement means – whether it means cashing out or moving her investments that she had with Aspirations.
- She's not had access to these monies since April 2021 – the date when the initial fees were taken – and cashing out her investments would've been between August and November 2023.
- It would be helpful for Aspirations to lay out how it conducted its calculations.
- Her concern is that the value of the investment dropped, however she understands the loss would be less had the fees continued to be invested.
- Would our service be involved in the calculation stage, or would it have to be between the parties?

As a result of the parties accepting my provisional decision, the case was closed, post provisional decision. However, Ms S is still unclear about how the redress figure was calculated by Aspirations and whether this included investment loss.

I note that in late January 2025, Aspirations said that it had provided Ms S with the redress calculations and in early February 2025, it also provided our service a copy.

In mid-February 2025 Aspirations paid Ms S the sum of £2,099 which it says represents the loss. However, Ms S maintains that the figure is lower than she was expecting. She queried its calculations as well as the date of settlement. She maintains that she still hasn't been paid for investment loss.

In addition to the above, I also have a small amendment to make to the wording of the redress which I think is important as well as clarifying what Aspiration should do. So, in the circumstances I think it's appropriate to issue 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, in light of both parties' acceptance of my provisional decision, my decision to uphold this complaint remains the same, principally for the same reasons as set out in my provisional decision.

In other words, despite being given the time and opportunity to respond to my provisional decision, I'm satisfied that no new material points have been made that persuade me I should change my decision.

Because both Ms S and Aspirations agreed with my redress calculation – it is what Aspirations should calculate and pay, with one small amendment.

In the circumstances, I don't think this requires me to issue another provisional decision, because it doesn't materially change the nature of my redress or prejudice either party.

In my provisional decision I said that to put things right, Aspirations should refund the fees charged for all missed annual review meetings/ongoing advice.

I also said that in addition to the above, Aspirations should pay any investment returns based on the actual growth of Ms S's investment, from the date the fees were taken (which appear to be in or around April 2021) to the date of settlement. It's the latter part of that sentence that I'm now amending to accurately reflect what happened.

This will mean that Ms S will get what she's entitled to, and Aspirations won't be paying for investment returns after Ms S moved her investment away.

I apologise for this oversight as well as leading the parties to think that the investment loss was until the complaint was settled, rather than when Ms S moved her investment away.

So, "*to the date of settlement*", should now read "*to the date Ms S moved her investment away*" because this is what she did, in or around October/November 2023.

I'm aware that Aspirations has already paid Ms S a redress sum of £2,099, although it is not clear if this amount includes any investment loss.

If the final redress sum – including investment loss – is higher, Aspirations is entitled to subtract the amount it has already paid, before making any further payment to Ms S.

The amended redress should therefore read as follows:

- Refund the fees charged for all missed annual review meetings/ongoing advice.
- Pay any investment returns based on the actual growth of Ms S's investment, from the date the fee was taken to the date Ms S moved her investments away from Aspirations, less any money already paid in respect of this redress.

Given the issues raised by Ms S, Aspirations should clearly set out its working out and calculations.

It may be helpful to firstly set out the figure for the refund of charges, and secondly, the figure for the investment returns.

Putting things right

To put things right, Aspirations Financial Advice Ltd should calculate redress as follows and pay this to Ms S:

- Refund the fees charged for all missed annual review meetings/ongoing advice.
- Pay any investment returns based on the actual growth of Ms S's investment, from the date the fee was taken to the date Ms S moved her investments away from Aspirations, less any monies already paid in respect of this redress.

My final decision

For the reasons set out above, and in my provisional decision, I uphold this complaint.

Aspirations Financial Advice Ltd should calculate and pay redress as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 2 April 2025.

Dara Islam
Ombudsman