

The complaint

Mrs G has complained about the advice she received from Attivo Financial Limited ('Attivo') in relation to her self-invested personal pension ('SIPP') and its failure to provide her with ongoing financial advice thereafter.

What happened

Mrs G held a SIPP with a provider I'll refer to as 'A' and she had an existing relationship with a financial adviser – she was paying an ongoing adviser charge ('OAC') of 0.5%.

Mrs G decided to replace her financial adviser with Attivo in March 2021, who took on the ongoing servicing of her SIPP at the same rate.

Mrs G met with Attivo in July 2021. The adviser explained that Mrs G was currently being charged 0.5% and if the meeting resulted in no changes being recommended, it would remain the same. However, if a new solution was recommended, Mrs G would be moved on to Attivo's charging structure.

Attivo carried out an assessment of Mrs G's risk appetite, circumstances and objectives. It determined she was an experienced investor but had a 'medium-low' attitude to risk. Attivo recorded that Mrs G was hoping to retire at age 55 (in around three years' time) with an income of between £20,000 and £25,000 per year and noted she had a preference for ethical investments.

Mrs G completed a client fee agreement on 11 August 2021, agreeing to pay a fixed fee of £1,000 for the advice and agreeing to an OAC of 0.75% of her fund value.

In September 2021 Attivo issued a 'Retirement Planning Recommendation Report' to Mrs G, recommending that she switch the current investments in her SIPP to the Rathbone Greenbank Defensive Multi Asset portfolio ('Rathbone Greenbank portfolio'), leaving a small sum in cash to meet ongoing fees. The Rathbone Greenbank portfolio had been selected to reflect Mrs G's ethical preferences and medium-low risk profile.

Although Mrs G accepted the recommendation to invest in the Rathbone Greenbank portfolio, she allocated around two third of her monies to this portfolio instead, opting to keep some of her existing investments in an execution-only account within the SIPP.

In April 2022 Mrs G had an annual review with Attivo. It explained that the value of Mrs G's Rathbone Greenbank portfolio had reduced owing to the volatile markets in light of world events. However, it pointed out that the remainder of the funds invested, which contained higher-risk funds, had decreased by a larger percentage. Attivo stressed that holding these funds may be detrimental to her retirement goals but Mrs G confirmed that she remained comfortable with this as the funds would be held over a longer term. Attivo recommended a further switch so that 65% of her funds remained with Rathbone Greenbank and 35% would be invested in the 7IM Sustainable Balance Fund. As Mrs G also wished to make an employer contribution of £20,000 gross, Attivo recommended this be invested in the same way. It isn't clear whether Mrs G made the recommended switch.

In November 2022 Mrs G made an employer contribution of £80,000 gross to her SIPP. Attivo acknowledged this in December 2022, explaining that Mrs G had instructed it to make the contribution without taking advice.

Mrs G contacted Attivo in August 2023 as she was concerned with the ongoing performance of the Rathbone Greenbank portfolio, particularly given her medium-low attitude to risk and her desire to retire at age 55. She asked why it had performed so badly, whether Attivo expected it to recover and whether Attivo considered (with hindsight) whether it was a good idea to invest in it. Mrs G also expressed frustration that she hadn't heard from Attivo in over a year and asked whether it was actively assessing her pension.

In September 2023 Attivo apologised for not being in touch to provide a review sooner and asked if Mrs G was available to attend a planning meeting in the next few weeks. Attivo provided the following comments:

- The market crashed in January 2022 owing to a number of factors including war, increased inflation and an increase in interest rates.
- Interest rate hikes had specifically impacted lower-risk portfolios because of the inclusion of fixed-rate bonds.
- Although the Rathbone Greenbank portfolio was down, it hadn't reduced as much as other competitor portfolios in her risk band.
- It couldn't guarantee future performance but there was no reason to believe that this crash wouldn't be overcome like every other crash.
- Diversification is a key element to an investment recommendation; however, the Rathbone Greenbank portfolio is not a fund but rather a multi-asset fund which means this is a fully diversified portfolio in a unitised fashion.
- It still believed the single portfolio was the right option for Mrs G and investing in the competitor portfolios alongside the Rathbone Greenbank portfolio would have only led to worse returns.

Mrs G responded, saying that the portfolio had performed badly in comparison with other funds within the Volatility Managed sector. Attivo also hadn't commented on the Rathbone Greenbank portfolio's failure to achieve its objective performance of CPI + 2%. Mrs G noted the offer of a review but she said she had become a client of Attivo on the basis that she would receive contact every six months and she hadn't heard from Attivo for over a year. Mrs G requested a refund of the initial advice fee and the ongoing advice fee for the year 2022-2023.

Attivo treated this as a complaint and provided a final response on 15 November 2023. It maintained that the recommendation was suitable for Mrs G based on her objectives and risk profile. Attivo appreciated the performance of the portfolio wasn't what Mrs G would've hoped for but considered this was due to external factors beyond the portfolio manager's control. Attivo also considered that it had provided the agreed service; it noted that the review for 2023 was offered following Mrs G's contact but she had since deauthorised Attivo so this could no longer go ahead. It added that Mrs G could have contacted Attivo at any time to discuss her investments.

Mrs G responded on 9 April 2024, saying she had verbal agreement with the adviser that he would provide six-monthly reviews and he would proactively reach out to her. In any event, it had been 15 months since her last review in May 2022. Mrs G didn't think Attivo had addressed her concerns about the performance of the Rathbone Greenbank portfolio.

Attivo gave a further response on 11 April 2024 but maintained that the advice was suitable and the earlier response to the complaint was reasonable.

Mrs G remained unhappy and referred her complaint to the Financial Ombudsman Service.

Our Investigator considered that the recommendation to invest in the Rathbone Greenbank portfolio was suitable when considering Mrs G's objectives and preferences. He believed that Attivo had provided reasonable explanations for the poor performance. However, the Investigator considered that Attivo had fallen short of the service Mrs G had agreed to, as a review should have been instigated around April 2023, whereas Mrs G had to chase this in August 2023. He recommended that Attivo should refund the fees Mrs G had paid between May 2023 and the date she left Attivo.

Attivo thought that a fairer resolution would be a refund of 50% of the fees paid during that time as it believed the service was to provide a review each calendar year and so it still had time to provide it. Furthermore, it had offered Mrs G a review but she declined it.

Mrs G ultimately didn't accept this, saying that Attivo explained that it would continuously review/assess the pension portfolios they recommend to clients to ensure they remain good investments and no evidence had been provided to support that any assessment, either before or after her investment was made, had taken place. Mrs G said she could evidence that she had asked for six-monthly reviews and Attivo had acknowledged this at the time. Mrs G didn't understand the basis of the refund given she considered Attivo hadn't provided her with any service between May 2022 and the date she left in September 2023.

The Investigator wasn't persuaded to change their view so the complaint was referred to me to make a decision.

I issued a provisional decision on 22 August 2025 in which I upheld the complaint in part. I said I thought Attivo had ultimately led Mrs G to believe it would provide her with more regular reviews than an annual review, at least in the first couple of years, and I didn't think it had delivered that service. I thought Attivo should put this right by returning the OACs charged after the first year to date, and I explained it needed to pay Mrs G a return on those charges in line with the performance of the part of the pension being managed by Attivo over the same period. I also explained that the service provided by Attivo would've been particularly disappointing for Mrs G given she had clearly explained how her previous adviser had let her down and what she expected from Attivo. So, I thought it should also pay her £250 for the distress caused. I didn't uphold the other complaint points raised by Mrs G.

Mrs G confirmed that she accepted my provisional decision. Attivo didn't accept it, maintaining that the adviser had made it clear to Mrs G that she would receive an annual review but she could reach out more regularly than this if she needed further input. It didn't think Mrs G's contact in April 2022 was evidence that Attivo had agreed to provide her with six-monthly reviews. Attivo acknowledged that Mrs G wanted more regular contact from the adviser but at no point did he confirm he would provide this service to her.

As both sides have responded I'm now providing my final decision on the matter.

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've carefully considered Attivo's comments but I'm still upholding this complaint for essentially the same reasons given in my provisional decision. As such, I've largely repeated my findings below.

Suitability of the advice

Although Mrs G's complaint about the initial advice focused on the performance of the portfolio that Attivo recommended she invested in, I think she also questioned the suitability of it for her needs from the outset, including the proportion of her pension funds invested in it. So, I've first considered the suitability of the advice.

Having done so, I'm satisfied that the advice was suitable. I'll explain why.

Attivo assessed Mrs G's attitude to risk as medium-low based on the fact that she was looking to retire within the next three years and as such, required less volatility. The adviser noted that Mrs G's pension wasn't currently invested in line with this risk profile, so a change was required. Attivo also recorded Mrs G's preference for ethical investments and noted she was interested in having greater oversight of her investments. As such, Attivo recommended that Mrs G invest the vast majority of her pension funds in the Rathbone Greenbank portfolio. I think this was a suitable recommendation because the Rathbone Greenbank portfolio met with Mrs G's ethical preferences and had an approximate asset split as follows:

- 46% equities
- 39% fixed interest
- 13% cash products
- 2% other

I think that this asset split was suitable for a customer looking to take a medium-low risk with their pension funds.

The Rathbone Greenbank portfolio recommended was a discretionary managed portfolio, meaning that Attivo had selected a model portfolio in line with Mrs G's attitude to risk that was proactively managed by the investment manager according to the investment mandate. As such, this provided Mrs G with the level of oversight she was looking for because the investment manager would regularly monitor the funds held in the portfolio and make adjustments according to market movements.

I appreciate that Mrs G had concerns about investing all of her pension funds in the same portfolio. Mrs G was keen to keep some of her pension monies invested in the same funds she was invested in at the time because they had performed well. However, the adviser rightly recognised that Mrs G's pension was not currently invested in line with her attitude to risk and her desire for less volatility. And while the funds had performed well to date, past performance wasn't a guarantee of future performance. It's clear that Mrs G took this on board and but ultimately made a decision not to invest all her funds in the Rathbone Greenbank portfolio, retaining around a third of her existing investments in an execution-only account within the SIPP.

I also note that in the discussions she had with the adviser over video she questioned the suitability of the Rathbone Greenbank portfolio given it was so new. The adviser accepted that this concern was valid but explained that while the portfolio was new, the investment managers had a proven track record. And when the adviser delivered his recommendation, he was able to share the performance of the portfolio since inception in April 2021 and this was around 6%. Mrs G was reassured by this but expressed that she wanted increased oversight of the portfolio in the first year at least given how new it was. I will come back to this point later on in my decision.

Overall, whilst noting that Mrs G did have concerns about the recommendation, she ultimately accepted it after having been given reassurances. And I haven't seen sufficient evidence to persuade me that the advice to invest in this portfolio was unsuitable given her circumstances, objectives and risk appetite.

Performance of the portfolio

Mrs C is understandably unhappy with the performance of her pension since making the changes and she doesn't think that Attivo has adequately explained why the portfolio didn't achieve its aims.

The investment objective of the portfolio is described in the suitability report as follows:

"We aim to deliver a greater total return than the Consumer Price Index (CPI) measure of inflation + 2%. Total return means the return we receive from the value of our investments increasing (capital growth) plus the income we receive from our investments (interest and dividend payments). We use the CPI + 2% as a target for our funds return because we aim to grow your investment above inflation. We aim to deliver this return with no more than half of the volatility of the FTSE Developed stock market index. As an indication, if global stock markets fall our fund value should be expected to fall by around half that amount. Because we measure volatility over a five-year period, some falls may be larger or smaller over shorter periods of time. We aim to limit the amount of volatility risk our fund can take because we want our investors to understand the risk they are taking in terms of the global stock market."

Whilst the portfolio aimed to deliver a return of CPI plus 2%, there can be no guarantees of performance. And as Mrs G is no doubt aware, since 2021 the markets have been subject to numerous events that have affected investment values in the short-term, such as the covid pandemic, global conflicts, high inflation and interest rates.

In particular, following the review in April 2022, Attivo explained:

"As you understand, this is a particularly volatile time in the market with the ongoing impact of Covid-19 still being felt across global markets, but additionally since the beginning of the year the war in Ukraine has only introduced further volatility. Ethical stocks are as a consequence particularly struggling at this time, as the in demand industries switch from global good over to commodities such as oil and gas, and weaponry which your portfolios exclude by design."

I think this sufficiently explains why the portfolio didn't achieve its aims over the period in question.

Furthermore, a key aim of the fund is to reduce volatility and as Attivo explained in the review of April 2022, while the funds held in the Rathbone Greenbank portfolio were down over 3%, the funds she'd retained in an execution-only account (which were invested in

higher-risk assets) were down almost 13%. So, I do think that the portfolio was able to achieve one of its key aims in difficult circumstances.

Mrs G has asked about the checks the central investment proposition team made on the Greenbank Rathbone portfolio, which Attivo told her it would carry out. But I don't ultimately think this is relevant to Mrs G's complaint. The central investment proposition was not contracted to provide Mrs G with a service; it is an internal team that researches and monitors the markets and identifies potential investments and portfolios for clients. Attivo didn't tell Mrs G that the central investment proposition team would personally monitor her investment; instead, it explained that because the portfolio was part of the central investment proposition, the team would monitor it to ensure it remained a good option for customers. And I don't think Attivo needs to disclose how it monitored the portfolio in question over the period Mrs G has complained about.

The ongoing advice service agreed between Attivo and Mrs G

Mrs G's main concern centres on the agreement she entered into with Attivo for ongoing advice services. Mrs G says that Attivo verbally agreed to provide her with six-monthly reviews and would proactively reach out to her but it failed to provide this service. Mrs G said she had waited 15 months after her last review before having to contact Attivo to ask what had happened.

I've considered the documents provided by Attivo which explained the service being provided in return for the OAC as well as what was verbally agreed between Mrs G and Attivo. In order to consider this, I requested copies of the recorded video and voice calls between Mrs G and Attivo. Mrs G also provided an email which she felt supported her position. I've set out the information I've relied upon to reach my findings on this point below.

I have watched a recording of Mrs G's first meeting with Attivo in July 2021. At the start of the meeting, the adviser took Mrs G through the Private Client Agreement; the charges for services were set out in sections seven and eight. Mrs G acknowledged receiving this. After around nine minutes, the adviser said that the annual meeting, which Mrs G would have with him going forwards was completely covered in the ongoing adviser charge. He added that if Mrs G needed him throughout the year for anything or she wanted to make a contribution or withdrawal he was there to help.

Mrs G then asked whether the adviser would look at the funds invested in on regular basis. The adviser explained that he wasn't an investment manager; he wouldn't be tweaking investments on a daily basis. He explained that he was a financial planner so he looked at the overall circumstances and reviewed the advice to ensure it remained suitable. He said that they would meet every year at least to look at the portfolio to ensure it remained suitable for Mrs G but he would also encourage her to contact him should anything change.

The conversation moved on to discussing Mrs G's financial circumstances, objectives, risk appetite and ethical preferences. The adviser then explained the different investment solutions offered by Attivo; advisory portfolios and discretionary portfolios. After around an hour and 38 minutes into the call, the adviser asked whether Mrs G was leaning towards any of the investment solutions discussed so far. Mrs G said that in the first few years what she really wanted was to know that somebody was on top of things and was really looking out for her on a regular basis. She said she didn't want to come to the end of every year and then think that she hadn't heard from anyone yet about what had been happening and how her investments were doing. Mrs G explained that she wanted someone to be really on top of her case, keeping her informed, not letting things go as her former adviser had done in the last few years. She said she was really relying on the adviser to do that for her. Mrs G said

whether advisory or discretionary, she deferred to the adviser's opinion on this, but she just wanted to know that someone really understood what she wanted and how to get it for her.

The adviser said he understood that she didn't want to let it get to the end of the year and she hadn't heard from anyone. He said as a minimum they would have an annual review. But again, he said he was there throughout the year should Mrs G want to have another meeting or discussion. The adviser said sometimes they might meet earlier, there could be a change in her circumstances and something needed to be changed. Otherwise, the adviser said that if there weren't any changes he would assume the portfolio remained suitable, and at the annual review he would look at the portfolio retrospectively and its suitability going forwards.

The adviser then said that if Mrs G wanted a closer oversight of her investments, so that they were being looked at weekly or daily then maybe she was inclined to select the discretionary solution. The adviser again explained the remit of financial advisers; they are not investment managers. While an advisory portfolio would be built for her it would not be looked at every week or month – that wasn't how an advisory portfolio worked. The adviser expressed that he thought a discretionary portfolio would potentially be more beneficial to her and more suitable for her needs. He then explained how a model discretionary portfolio worked. He told Mrs G that the portfolio wasn't bespoke to the individual, but operated within parameters. The adviser asked Mrs G what she thought and she said that it depended on whether he could find a suitable model portfolio for her. The adviser said he thought it would be possible to find an ethical model portfolio based on what she wanted to avoid/include.

After around one hour and 48 minutes, the adviser reiterated that as a minimum he was there to meet after a year but Mrs G could call him throughout the year. He then reiterated that the level of investment management oversight Mrs G was interested in led him to believe that a discretionary portfolio might be suitable. The conversation then moved on to charges – Mrs G expressed that she wanted the costs to be as low as possible over the long-term. The meeting ended with Mrs G explaining that she hadn't yet made her mind up as to the investment solutions offered and the adviser said he would do some research to see whether a model discretionary portfolio could be found to meet her ethical preferences and he would provide some further information about the investment solutions they'd discussed.

I have listened to the call that took place in August 2021 but there wasn't any discussion of the frequency of reviews.

Before Attivo issued a suitability report, Mrs G was required to accept Attivo's client fee agreement. The agreement set out that Mrs G would pay £1,000 for the advice in respect of how her pension funds should be invested and an OAC of 0.75% – this was accepted on 11 August 2021. The agreement said it was supplementary to the Private Client Agreement.

The Private Client Agreement states:

“Ongoing service commitment

If you elect to take our ongoing service, we will contact you on an annual basis to arrange a meeting, to be conducted either face to face or over the telephone or a video call. If you are invested in a product that is considered high risk or you have a high attitude towards investment risk, we will contact you every six months...

... In addition, you are free to contact us at any time to speak with one of our Financial Planners. You can also email us with your queries and request up-to-date valuations from us...

Attivo issued the suitability report in September 2021 and I've watched the recording of the meeting the adviser had with Mrs G to take her through the recommendations. After around 37 minutes Mrs G and the adviser discuss the risk of investing in the Greenbank Rathbone portfolio given it was new and had no track record. Mrs G acknowledged that the adviser had confidence in the investment managers because they had an excellent track record, but said if we she went with this recommendation she would expect more close checking on it over the first year or two.

The adviser explained that Attivo has a centralised investment proposition team who monitor the market and explained that this portfolio would be monitored by that team because it was part of the centralised investment proposition. The adviser indicated that if things weren't going as expected then the portfolio may be moved off the centralised investment proposition. He shared the performance of the portfolio since inception, which was around 6%. Mrs G seemed reassured by this but asked how this compared with a benchmark. The meeting ended with Mrs G expressing that she felt positive about the overall recommendation, with the caveat that the adviser keep a good eye on it particularly over the first year, maybe less over years two and three. Mrs G said that because it was such a new fund she'd feel more reassured if the adviser could personally keep an eye on it. The adviser said he would do so and he could also set up a periodic reminder. He added that he'd be recommending this portfolio to others so he'd be looking at it a lot more often.

The suitability report sets out the fees and charges at page 18. It says:

"...The service provided by Attivo Financial Planning includes analysis of existing investment information and researching, advising and implementing an agreed investment strategy. I have explained to you the importance of regular financial planning reviews. The annual remuneration stated below will include these reviews..."

"Please note:

- The Annual adviser charge on total valuation (cash and assets) for facilitations of on-going review and analysis of your financial planning needs..."*

On page 20, the report also says:

"Financial Planning Reviews

It is important that your drawdown arrangement is regularly reviewed. We will contact you each calendar year to review your circumstances to ensure that the portfolio remains suitable. The annual remuneration stated above will facilitate these reviews."

I've listened to the call that Mrs G had with Attivo in October 2021 but there wasn't any discussion of the OAC or timing of reviews.

Mrs G has referred to an email she sent Attivo in October 2021. While she hasn't been able to provide a copy, she says that she told Attivo she'd expect frequent oversight of how the fund was doing and regular updates in the first year or two.

Mrs G sent us a copy of an email which she sent to the Attivo adviser on 13 April 2022. Mrs G said, *"As we are at about the 6-month mark, please would you provide some info on how the fund is doing."*

This appears to have prompted a meeting on 25 April 2022 and further advice delivered on 17 May 2022. The document setting out the advice was described as an 'Annual Review Report'.

Taking account of all of the evidence I've referred to above, on balance, I still think Attivo promised Mrs G closer oversight of her pension in the first year or two of her implementing the recommendation it made in September 2021. The Fee Agreement Mrs G signed said reviews would be provided annually. I don't think that Mrs G specifically asked for six-monthly reviews or that Attivo agreed to provide her with them. And I agree with Attivo's comments that in the July 2021 meeting the adviser told Mrs G she would receive an annual review and that she could reach out more regularly if she needed assistance. While Mrs G said that she was looking for greater oversight, I don't think that the adviser made any commitments beyond providing the annual review in that meeting. However, by the time the recommendation was made I think the adviser gave Mrs G the overall impression that she would hear from Attivo more regularly than just at the end of the year for the annual review, at least in the first year or two.

In the July 2021 meeting I think Mrs G was clear about what she wanted from her relationship with Attivo. She said she wanted to know that somebody was on top of things in the first few years and she didn't want to come to the end of every year and think that she hadn't heard from anyone yet about how her investments were doing. She expressed that her previous adviser had let things go in this way. In this meeting the adviser said that they would meet annually as a minimum, and that Mrs G could contact him whenever she needed to outside of this, he also thought that what Mrs G was saying she wanted could be met by using a discretionary investment approach. However, I think that whether or not Mrs G chose to use a discretionary portfolio, it was clear that she expected to hear from the adviser before it reached her annual review.

While in the July 2021 meeting the adviser asserted that they would meet annually as a minimum, I think his stance changed when the meeting took place in September 2021. In this meeting Mrs G was concerned about investing in a portfolio with no track record. And I think that she made it clear that she would accept the recommendation to invest in the portfolio if the adviser kept a good eye on it in the first year or two; she would feel reassured by this. I think the adviser said he would do this – although he referred to the role of the centralised investment proposition team, he mentioned setting up a periodic reminder to review the portfolio and also said he'd be looking at it regularly because he'd be recommending it to other clients. The adviser did not respond to Mrs G's request by reiterating that only an annual meeting would take place – instead he told Mrs G that he would set up a periodic reminder to check on it.

So, I think that Mrs C would've left this meeting with the understanding that the adviser had personally agreed to keep an eye on the portfolio and would keep her updated in the first year or two at the very least. Mrs C reached out to Attivo in April 2022 to ask for an update, she noted that they had reached the six-month mark and she wanted to know how the portfolio was doing. Attivo says that this doesn't evidence that the adviser had agreed to proactively update her at six-monthly intervals. But I still think that Mrs G's contact was likely prompted by her understanding that she ought to have heard from Attivo by this point, given the reassurance she was given in September 2021.

Ultimately, if Attivo only intended to provide a review and make contact with Mrs G annually then I think the adviser needed to make that much clearer to her in the September 2021 meeting, in the way he had in the July 2021 meeting. Given what was discussed in September 2021, I don't think Attivo can simply rely on the terms in the Private Client Agreement that it would only contact her once a year to provide annual reviews.

Did Attivo provide the service it agreed to?

Ultimately I don't think it did. Attivo did not contact Mrs G proactively at any time after the advice was delivered in September 2021. Mrs G reached out in April 2022 because I think she'd been expecting to hear how her investments had been doing and Attivo had led her to believe it would be in touch before her annual review was due. It then performed an annual review in May 2022, which was a bit premature as I would've expected the first annual review to take place in September 2022. However, given Mrs G's concerns about the performance, her desire to make a change and to make a contribution, I don't think performing the full annual review in May 2022 was unreasonable.

I understand Mrs G made a further contribution to the SIPP in late 2022 but didn't take advice as she requested the funds were sent to her execution-only account. As these funds weren't being managed by Attivo, I don't think that processing the contribution formed part of the service Mrs G was paying for. Mrs G then had to reach out in August 2023 as she hadn't heard from Attivo again and this, as well as the performance, ultimately prompted her complaint.

I appreciate that Attivo offered to carry out a review for Mrs G at this point, but Mrs G refused it. Ultimately, I don't think it was unreasonable for her to do so as by this point I think she'd decided that Attivo couldn't deliver the service she'd been promised. It hadn't proactively contacted her once throughout the almost two-year relationship.

Having carefully considered the above, I don't think Attivo provided the service it promised to Mrs G so it needs to put this right.

I think it would be fair for Attivo to retain the OACs charged for the first year following the implementation of the September 2021 advice. I say this because Attivo did provide the annual review Mrs G had paid for. While I don't think it provided the level of service promised to Mrs G, I think this is best put right by way of compensation for the distress and inconvenience caused, which I'll address below.

As I don't think the ongoing service was provided to Mrs G after the first year, I think Attivo needs to put this right by returning the OACs charged after this point to date, and it needs to pay Mrs G a return on those charges in line with the performance of the part of the pension being managed by Attivo over the same period.

I also think the service provided by Attivo would've been particularly disappointing for Mrs G given she had clearly explained how her previous adviser had let her down and what she expected from Attivo. Attivo did not contact her regularly during the first year; in fact, it didn't contact her at all. So, I think it should also pay her £250 for the distress caused.

Putting things right

My aim is to put Mrs G as close as possible to the position she would probably now be in if she hadn't paid OACs from the investments being managed by Attivo (at a rate of 0.75%) after the first year.

Attivo should:

- Refund the OACs deducted since the first years' fee was deducted to the date of my final decision, plus a return on the fee amounts from the date the fees were paid to the date of my final decision.
- The lost return on the fee amounts should be calculated in line with the actual performance of the funds being managed by Attivo over this time.

- If Attivo is unable to obtain information about how the investment performed, Attivo should use this benchmark – FTSE UK Private Investors Income Total Return Index to calculate the lost investment returns on each fee.
- I've chosen this method because the FTSE UK Private Investors Income Total Return Index is made up of a range of indices with different asset classes, mainly UK equities and government bonds. It is reasonable proxy for the type of return that could have been achieved over the period in question.
- The value of the OACs plus the lost return on those fees is the compensation amount. The compensation amount should be paid into Mrs G's SIPP if possible. The payment should allow for the effect of charges and any available tax relief. The compensation shouldn't be paid into the SIPP if it would conflict with any existing protection or allowance.
- If a payment into the pension isn't possible or has protection or allowance implications, it should be paid directly to Mrs G as a lump sum after making a notional reduction to allow for future income tax that would otherwise have been paid.
- If Mrs G has a remaining tax-free cash entitlement, 25% of the loss would be tax-free and 75% would have been taxed according to her likely income tax rate in retirement – presumed to be 20%. So, making a notional reduction of 15% overall from the loss adequately reflects this.
- Provide the details of the calculation to Mrs G in a clear, simple format.
- Pay Mrs G £250 for the distress and inconvenience caused by the failure to provide the service she was promised.

Interest

The compensation resulting from this loss assessment must be paid to Mrs G or into her SIPP within 28 days of the date Attivo receives notification of Mrs G's acceptance of my final decision. Interest must be added to the compensation amount at the rate of 8% per year simple from the date of my final decision to the date of settlement if the compensation isn't paid within 28 days of Attivo being notified of Mrs G's acceptance of my final decision.

My final decision

For the reasons set out above, I'm upholding Mrs G's complaint against Attivo Financial Limited and require it to pay compensation as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 6 October 2025.

Hannah Wise
Ombudsman