

## **The complaint**

Miss L complains that Beaufort Financial Planning Ltd (“Beaufort”) didn’t change the risk profile of her investment portfolio as expected. Miss L is also unhappy about mistakes Beaufort later made when telling her about the performance of her investment.

## **What happened**

Miss L benefitted from a trust set up by her mother’s will. In 2019, Beaufort arranged the transfer of the trust’s investment to Miss L. A meeting followed, where Miss L’s attitude to risk was discussed. This was graded as ‘6’ on a scale of 10. The investment at that time reflected level 3 on the same risk scale.

Beaufort have confirmed they didn’t change the risk profile of the investment after the meeting. They’ve said that was because they wanted more information about other trusts Miss L was to benefit from before confirming their investment strategy for her.

We’ve been shown emails from 2019 and 2020 where Beaufort contacted the trustees for the other trusts seeking that information. Miss L was sent copies of the emails at the time.

Miss L’s complaint followed a mistake by Beaufort at a meeting in 2021. An adviser referred to her investment’s performance as if it was held at risk level 5. About three weeks later, the adviser emailed Miss L with the correct details for the risk level 3 investment.

Beaufort then made a further mistake a few months later. A mistyped ‘3’ added £10,000 to the value of the investment. A later statement with the correct value prompted Miss L to raise the issue with Beaufort, and they explained their mistake.

Our investigator considered Miss L’s complaint and partly upheld it. They felt it reasonable Beaufort hadn’t changed the investment’s risk level in 2019. But they noted the errors in 2021 had caused upset for Miss L. They suggested compensation be paid – initially £300 but later £450 – and that Beaufort refund their fees since September 2019.

Miss L didn’t feel that did enough to resolve her complaint. She restated her dissatisfaction with Beaufort. And she explained there’d been a further issue in 2022 with the information Beaufort had given her – this time about another trust she was to benefit from.

With no agreement to resolve the complaint, it’s come 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’ve decided the remedy our investigator put forward is a reasonable way to resolve Miss L’s complaint.

The correspondence from 2019 and 2020 between Beaufort and the trustees supports their reason for not changing the investment's risk level. The further information they were seeking was relevant to decisions about Miss L's investment. Miss L had plans to make large purchases in a relatively close period. If the money to do that was to come from her investment then a lower risk rating would be more suitable.

I find that copying the emails they were sending to the trustees to Miss L did just enough to keep Miss L reasonably informed about what Beaufort were doing.

With hindsight, an explicit update to Miss L explaining no changes had yet been made to the investment's risk rating would have helped avoid the later confusion. But I can appreciate Beaufort might initially have expected the trustees to provide the information they'd asked for quite rapidly. So I can understand why they held off writing in detail until they had that information.

The later correspondence confirms Beaufort accepted they'd made mistakes when giving Miss L details about her investment in 2021. Those mistakes were unreasonable, and shouldn't have happened. They can't now be undone, but something should be done to try to put any impact they had on Miss L right.

### **Putting things right**

Miss L's told us the second mistake in 2021 led to her making an offer on a property that didn't reflect the money she actually had available to her. It sounds like that offer wasn't ultimately accepted, so there's no financial impact. But I can appreciate how the impact it could have had adds to Miss L's upset about the matter.

Ultimately, it looks to me that Miss L's confidence in Beaufort has been completely undermined by the mistakes in 2021, and by her feeling that the risk level for her investment wasn't as it should be. I've found Beaufort acted reasonably on the risk level point. But I agree with our investigator that some sort of compensation should be directed for the impact the 2021 mistakes had on Miss L.

The 2022 issue Miss L's mentioned speaks to that impact too. Any issue or question she has about Beaufort's service going forward add to the narrative of her original complaint.

Choosing a level of compensation that fits that impact isn't an exact science. But I have factored in Miss L's explanation that as the investment here was part of her mother's legacy and ongoing support for her, the emotional impact is more acute.

Balancing that – the mistakes here haven't had the impact on the value of the investment that Miss L believes. The first mistake in 2021 was corrected in a relatively short space of time. And the second mistake hasn't caused any lasting expense or inconvenience either.

So I find the proposed £450 compensation is the right figure for compensating the impact here. And the refund of Beaufort's fees reflects that while some work has clearly been done over the years, its value has been undermined for Miss L by the mistakes made in 2021.

### **My final decision**

I've decided to uphold Miss L's complaint about Beaufort Financial Planning Ltd. To put things right, they should refund their fees since September 2019 and pay Miss L £450 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or

reject my decision before 15 March 2023.

Paul Mellor  
**Ombudsman**