

The complaint

Mr and Mrs F complain that Chase de Vere Independent Financial Advisers Limited (“CDV”) have withdrawn a service without notice that Mr and Mrs F have been paying for.

What happened

Mr and Mrs F had a long-standing relationship with their adviser. CDV took over the management of their investment portfolio in 2017 from a previous company their adviser worked for. Mr and Mrs F are unhappy that since that point, their quarterly portfolio rebalancing wasn’t taking place, despite them being charged the same. Mr and Mrs F are also unhappy that they weren’t notified of this change until long after it had been withdrawn.

CDV investigated and stated that it had provided the same service until August 2019 after which point the reviews weren’t part of the CDV discretionary management service. It acknowledged that Mr and Mrs F had been charged an additional 0.1% for this service from August 2019 to date and offered to refund those charges.

Our investigator felt the offer was fair but explained we’d usually expect CDV to add on 8% interest to a refund. Mr and Mrs F didn’t feel their complaint had been addressed fully. They said:

- A service was withdrawn without their knowledge or consent and at no stage were they advised either verbally or in writing
- CDV continued to charge them for a non-existent service
- No refund has been made nor has compensation

I issued my provisional decision on 15 May 2023 explaining why this complaint should be upheld. The relevant extract, which forms part of this decision, is as follows:

“It isn’t in dispute that there was a service that Mr and Mrs F were paying for but weren’t receiving. And I think it’s clear from the evidence on file that CDV didn’t notify them about the changes – effectively their adviser didn’t tell them. So, it’s important to determine what needs to be done to put things right.

I’m satisfied that CDV doesn’t offer the service that Mr and Mrs F were getting previously under a different business – so it wouldn’t be fair or reasonable to ask CDV to do this. I’ve also considered Mr and Mrs F’s complaint that their portfolio growth wasn’t what they were hoping. But looking at what CDV provided I can’t see that it has managed Mr and Mrs F’s portfolios outside of their risk profile or mandate.

It’s clear to me that there was a lack of communication here, and that Mr and Mrs F shouldn’t have been charged for a service they weren’t receiving. I can see CDV offered to refund the fees charged but don’t appear to have done so. I’m also mindful that no compensation has been offered for distress and inconvenience caused here. I appreciate CDV dealt with two separate complaints at the same time but this decision focuses only on the failure to tell Mr and Mrs F that it was no longer providing a service they were previously receiving – and charging for it.

Looking at the correspondence it’s clear Mr and Mrs F were shocked to find out they weren’t getting their quarterly portfolio rebalancing reviews. And I think this would’ve caused them

some level of distress particularly as they found out after it hadn't taken place for some time. For this, I think CDV should pay them £200 compensation.

Putting things right

Chase de Vere Independent Financial Advisers Limited should do the following to put things right:

- *Refund Mr and Mrs F the fees they were charged for their quarterly rebalancing service from the date it stopped to the date it stopped charging them for it.*
- *To this amount, interest should be added at 8% simple per annum from the date the fee was taken to the date of settlement*
- *Pay Mr and Mrs F £200 compensation for the distress and inconvenience caused."*

Responses to the provisional decision

Both parties responded to the provisional decision confirming they had no additional comments to make. Mr and Mrs F said they accepted the 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.

As neither party has made any additional comments for me to consider my findings remain the same as set out in my provisional decision, which I now confirm as final. The relevant extract from that decision is copied above and forms part of this decision.

Putting things right

Chase de Vere Independent Financial Advisers Limited must do the following to put things right:

- Refund Mr and Mrs F the fees they were charged for their quarterly rebalancing service from the date it stopped to the date it stopped charging them for it.
- To this amount, interest should be added at 8% simple per annum from the date the fee was taken to the date of settlement
- Pay Mr and Mrs F £200 compensation for the distress and inconvenience caused.

My final decision

For the reasons I've explained I uphold this decision. Chase de Vere Independent Financial Advisers Limited must pay Mr and Mrs F redress in line with the above instructions.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F and Mrs F to accept or reject my decision before 14 July 2023.

Charlotte Wilson
Ombudsman