

The complaint

Mrs T complains that Charteris Treasury Portfolio Managers Limited ('CTPM') continued to charge her fees after she removed its discretionary management permissions on her accounts.

What happened

Mrs T held investments within a Pension Account, an Individual Savings Account ('ISA') and a General Account ('GA') that were managed by CTPM under a discretionary management agreement. Essentially, this enabled CTPM to make changes to Mrs T's investments without having to refer individual changes to her for permission. Mrs T agreed to use the services of CTPM and signed agreements which, amongst other things, confirmed fees would be payable to CTPM.

Mrs T explains that, in April 2024, she informed CTPM she wanted to remove its discretionary management permissions for her investments. This was after the CTPM employee (who I will refer to simply for ease of reference as 'Mr F') she had been dealing with left CTPM's employment. Mrs T has also said she followed this up by email to CTPM in July 2024, as she was still being charged fees.

Mrs T has explained she was Mr F's client before he moved to CTPM. And that after Mr F left CTPM, she wanted to continue her relationship with Mr F "*as soon as he had established a suitable vehicle*" which, as I understand it, became possible a number of months later when Mr F joined a new firm (who I will refer to as 'Firm O'). Mrs T has also explained she had no relationship with anyone else at CTPM that would have given her the confidence to "*sanction discretionary management*".

We've been provided with a statement for each of Mrs T's Pension Account, Mrs T's GA and Mrs T's ISA for the period from 1 October 2024 to 31 December 2024. These statements record, amongst other things, the value of each of the portfolios and assets monies were invested into. Details of fees paid that quarter from each portfolio's cash account are also shown and this includes fees that were paid to CTPM.

Mrs T (and her husband – Mr T) signed a letter of complaint that was sent to CTPM on 14 March 2025. It was noted, amongst other things, in this letter that:

- The letter was a formal complaint.
- They had previously withdrawn CTPM's permission for discretionary management of their investment accounts, pending changing their provider.
- As such, CTPM was, and is, precluded from taking actions on their behalf.
- CTPM had continued to charge fees to their accounts, without authority to do so.
- CTPM isn't providing any service nor is it meeting the requirements of the Consumer Duty rules.
- CTPM should arrange an immediate refund of the fees it had taken from 30 June 2024 onwards up to the date that their funds, which were held via a platform with a firm I'll refer to as 'Firm J', were transferred elsewhere for management by a new firm.

CTPM emailed its response letter to Mr T on 28 April 2025. CTPM told Mr T it wasn't upholding the complaint and stated, amongst other things, that:

- Mr T had signed a tripartite agreement between him, CTPM and Firm J.
- By signing this agreement Mr T, as the client, was liable for any charges to both CTPM and Firm J.
- While Firm J charges a separate additional registration fee this doesn't cover the full cost of the administrator and custody package, most of which is covered by the annual management charge levied by CTPM.
- Services provided by CTPM as part of Mr T's agreement with it includes, but is not limited to, the following (which is in addition to Firm J's administration):
 - Handling of all corporate actions by CTPM.
 - Handling of all monthly payments to clients and maintenance of standing orders or manual adjustments made as required.
 - Cover provided under the investor compensation scheme.
 - Data handling, protection and storage to comply with the 2018 Data Protection Act as CTPM is a registered data controller.
 - Ongoing research of all assets, including risk monitoring and monitoring of overseas assets (where applicable).
 - Annual tax calculation packs which are posted to clients.
 - Ongoing Capital Gains tax monitoring (where applicable).
 - ISA monitoring and annual returns to HM Revenue & Customs.
 - Correspondence with pension providers/off-shore bond wrappers.
 - Manual operation of online access for clients.
 - Compliance costs to ensure client portfolios are held in line with Financial Conduct Authority ('FCA') requirements.
 - Monitoring of cash interest.
 - Monitoring of custody.

While CTPM addressed its response solely to Mr T, I'm satisfied the contents were also applicable to Mrs T's concerns. Unhappy with this response, Mrs T submitted a complaint form to us in May 2025.

Mrs T has said, amongst other things, that:

- On 2 April 2024, an email was sent to CTPM specifically removing its discretionary permissions on her accounts with immediate effect.
- She understands this means that CTPM had no authority over her accounts and was unable to perform any action relating to her accounts.
- Under the Consumer Duty rules if an ongoing advice/service isn't being given charges cannot be taken.
- Having discovered that CTPM was continuing to receive fees a complaint was made to CTPM asking for a refund.
- CTPM turned down this request and listed a number of services it claimed to be providing.
- Most of the points CTPM made relate to services undertaken by the platform provider (Firm J).
- Having cancelled CTPM's discretionary permissions, CTPM had no right to do anything regarding her accounts and investments. So, it wasn't able to provide an ongoing service and she's claiming a full refund of fees taken.
- Discretionary management is precisely that, it's given at her discretion and can be withdrawn at her discretion.

- CTPM would continue to receive fees for the other services it provided while she sought to transfer her accounts.
- She signed all necessary documentation on 4 December 2024 for the transfer of her monies to Firm O.
- CTPM indicated its unwillingness to act in her interest in any capacity in an email of 29 April 2024 in which it stated "... *I have taken the opportunity to review your portfolio However, due to the small size of your portfolio it is not feasible to offer you an advisory service under the Charteris umbrella. Therefore you will have to find another IFA...*".

CTPM has said, amongst other things, that:

- Mrs T's complaint is "*one of a series of complaints that were brought against Charteris by clients managed by an ex-employee of Charteris who advised his clients to withdraw their discretionary permissions on their accounts. The service we provided the client outside of discretionary management continued to be provided and therefore we continued to charge fees*".
- Mrs T initially complained in July 2024, but it's unable to find a copy of any final response letter it issued at that time. It doesn't consent to this Service considering the complaint if it wasn't made within the time limits.

One of our investigators reviewed Mrs T's complaint, they said the complaint was one we could consider but that it shouldn't be upheld. They said, in summary, that CTPM hadn't acted unfairly or unreasonably in levying the fees it had. And Mrs T would have been aware that her relationship with CTPM would remain ongoing while she sought to transfer her monies elsewhere. Further, during that period CTPM would still have to manage Mrs T's accounts and would continue to charge for its services, despite it no longer having authority to make changes to the accounts without first seeking Mrs T's approval.

Mrs T didn't agree and asked for an Ombudsman to review her complaint. She said, amongst other things, that:

- She had tabulated the services CTPM referenced in its response letter of 28 April 2025. She had compared these with Firm J's Terms of Business and her analysis suggested a duplication of function in respect of a number of the services and, in all cases, there was "*clear lead responsibility by [Firm J]*".
- A number of other services had vague descriptions from CTPM.
- Two services were in respect of a "*generalised duty of care*" with no specific action for CTPM.
- There was no evidence of any activity CTPM had actually undertaken in respect of any of the services.
- She was forced to ask whether CTPM undertakes any significant activity other than circulating the quarterly update on client holdings and annual capital gains tax report (if applicable) – and both of these would be based on data generated by Firm J.
- In the absence of instructions from her as the client, the removal of discretionary authority left CTPM with virtually nothing to do and it had no basis for charging fees.

Because agreement couldn't be reached the case has been passed to me for review.

What I've decided – and why

jurisdiction

I've considered all the evidence and arguments in order to decide whether we can consider Mrs T's complaint. Having done so, I've found that this is a complaint that we can consider.

The rules I must follow in determining whether we can consider this complaint are set out in the Dispute Resolution ('DISP') rules, which form part of the FCA's Handbook.

Has the complaint been brought in time?

As far as is relevant here, DISP 2.8.2 R says that:

The *Ombudsman* cannot consider a *complaint* if the complainant refers it to the *Financial Ombudsman Service*:

- (1) more than six *months* after the date on which the *respondent* sent the complainant its *final response, redress determination or summary resolution communication*;...

unless:

- (3) in the view of the *Ombudsman*, the failure to comply with the time limits in DISP 2.8.2 R or DISP 2.8.7 R was as a result of exceptional circumstances; or
- ...
- (5) the *respondent* has consented to the *Ombudsman* considering the *complaint* where the time limits in DISP 2.8.2 R or DISP 2.8.7 R have expired....

CTPM has told us it doesn't consent to us considering the complaint if it wasn't referred to us in time. We've not been provided with a copy of any valid final response letter that was issued by CTPM, in response to the issues this complaint concerns, prior to the final response letter it sent Mr T by email on 28 April 2025. Following this, Mrs T completed one of our complaint forms and submitted her complaint to us in May 2025, which is within six months of 28 April 2025.

Based on the evidence provided to us, I'm satisfied Mrs T's complaint was referred to us in time and that it's one we can consider. As such, I've gone on to consider the merits of this complaint below.

merits

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

When considering what's fair and reasonable in the circumstances, I need to take account of relevant law and regulations, regulator's rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice at the relevant time.

To avoid any potential confusion on this point – this complaint solely concerns CTPM fees that were levied on Mrs T's Pension account, her ISA and her GA. I appreciate Mrs T has also complained about CTPM fees that were levied on a Collective Redemption Bond. The issues Mrs T has complained about in respect of the Collective Redemption Bond are the subject of a separate complaint this Service is considering, so those issues are being considered by this Service elsewhere and don't form any part of this decision.

The parties to this complaint have provided detailed submissions to support their position and I'm grateful to them for doing so. I've considered these submissions in their entirety. However, I trust that they won't take the fact that my final decision focuses on what I

consider to be the central issues as a courtesy. To be clear, the purpose of this decision isn't to comment on every individual point or question the parties have made, rather it's to set out my findings and reasons for reaching them.

I do recognise Mrs T's strength of feeling on the matter. However, having carefully considered whether she should receive a refund of the fees CTPM continued to charge following her removal of its discretionary permissions, like the investigator, I've concluded it wouldn't be fair or reasonable to ask CTPM to refund the fees in the circumstances of this complaint – and I've set out my findings on this issue below.

Mrs T has said that CTPM indicated an unwillingness to act in her interest in any capacity in an email it sent her on 29 April 2024, Mrs T explains CTPM stated "*... I have taken the opportunity to review your portfolio However, due to the small size of your portfolio it is not feasible to offer you an advisory service under the Charteris umbrella. Therefore you will have to find another IFA...*".

The discretionary service CTPM provided, prior to Mrs T removing its discretionary permissions, enabled CTPM to make changes to investments in Mrs T's accounts without first having to seek her permission. After Mrs T removed CTPM's discretionary permissions CTPM could no longer do this, but Mrs T's actions didn't mean CTPM was then obligated to offer to provide Mrs T with a materially different type of service – for example, a more traditional IFA-like advisory service where it set out specific recommendations for Mrs T's consideration. In my view, the excerpt quoted in the previous paragraph, which was provided to us in isolation without the rest of the email, doesn't demonstrate that CTPM was unwilling to act in *any* capacity for Mrs T. I don't think, for example, it shows that CTPM was unwilling to continue to provide the same discretionary service it had agreed to provide prior to Mrs T removing its discretionary permissions. Further, I'm satisfied that, after Mrs T removed CTPM's discretionary permissions, CTPM continued to provide a number of other services it had previously been providing to Mrs T prior to her removing its discretionary permissions. And that CTPM acted appropriately in doing so.

I understand Mrs T didn't want CTPM to take discretionary decisions for her anymore. But I don't think that means she reasonably ought to have thought her relationship with it, and other services it was providing her with, had ended. I accept, on her own evidence, that Mrs T was intending to move her monies elsewhere when Mr F had found a new firm. But, until that happened and she moved her monies elsewhere, I'm satisfied Mrs T was aware, or ought reasonably to have been aware, that her investments were still being managed by CTPM. So, I'm satisfied that Mrs T ought reasonably to have expected that CTPM would continue to administer and monitor her existing accounts and investments – and continue to charge her for this – despite it no longer having the authority to actively make changes without recourse to her.

CTPM has previously stated to this Service, and in respect of other similar complaints, that a client's withdrawal of the discretionary mandate effectively means that any changes to the client's portfolios can't happen without seeking a client's permission. It has said that the client's accounts are monitored and administered to the same standard by it as was the case before the withdrawal of the discretionary mandate, and that it introduced extra steps in its processes to allow for permission to be sought from the client (if and when needed) prior to any changes being made to the client's accounts, which it hadn't needed to do previously.

In the letter that was sent to Mr T on 28 April 2025, in response to Mrs T's and Mr T's complaints, CTPM listed a number of services it provided. I understand this to have included services it was either providing, or could still provide, to Mrs T as part of her ongoing agreement with it. I appreciate Mrs T has explained that she considers a number of those services involved a duplication of function, had vague descriptions or were in respect of a

“generalised duty of care”. But, overall, I’m satisfied that CTPM was continuing to provide Mrs T with ongoing services further to her agreement with it.

Mrs T says there is no evidence of any activity CTPM actually undertook in respect of any of the services. But I don’t think that’s correct. As I referenced earlier in this decision, I’ve seen copies of CTPM statements for each of Mrs T’s Pension Account, Mrs T’s GA and Mrs T’s ISA for the period from 1 October 2024 to 31 December 2024. So, it’s clear CTPM continued to provide quarterly updates on holdings and investments. I’m also satisfied CTPM was continuing to provide other services for consumers like Mrs T, and that this included actively monitoring investments consumers held, and seeking instructions from consumers where relevant.

While I’m not aware of any occasion, after she had removed its discretionary permissions, where CTPM needed to seek permission from Mrs T in response to information it had received about a specific investment she held, I have seen examples of CTPM doing this in respect of other customers (with different investments to Mrs T) who had removed CTPM’s discretionary permissions at a similar time to Mrs T.

For example, I’m aware of more than one occasion where CTPM had to contact customers after they had removed CTPM’s discretionary permissions on their accounts (and at a similar time to Mrs T doing this), to inform them an investment they held had made a delisting announcement. In those cases, CTPM provided the investors with information about this and asked the investors to confirm whether they wished to action a sale in light of the information being provided, so that (where applicable) the instruction could then be passed on to CTPM’s dealing team to effect.

All of which is, I think, strong evidence that CTPM was continuing to provide, amongst other services, ongoing monitoring of investments for those consumers who had removed its discretionary permissions. And while I recognise CTPM was no longer taking discretionary decisions in respect of some consumers’, like Mrs T’s, accounts, I’m satisfied further administrative steps were introduced by the need for CTPM to have to seek client agreement to any changes that might be needed when decisions could otherwise previously have been made and actioned by it without seeking client agreement.

Overall, for the reasons I’ve set out above, it’s my view that CTPM did continue to provide Mrs T with ongoing services. And I don’t think the servicing CTPM continued to provide to Mrs T was reduced to such an extent that it wasn’t reasonable for it to continue collecting the fees previously agreed with Mrs T in the way it did. Accordingly, I don’t uphold this complaint and I make no award.

My final decision

For the reasons given above, I don’t uphold Mrs T’s complaint about Charteris Treasury Portfolio Managers Limited and I make no award.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs T to accept or reject my decision before 28 January 2026.

Alex Mann
Ombudsman