

The complaint

Mr F is unhappy that he's been charged Brewin Dolphin Limited's new, higher fees, when he had told them he wanted to transfer his holdings elsewhere.

What happened

Mr F had an investment portfolio with Brewin Dolphin. At the start of December 2021, they wrote to him explaining that their fee structure was changing from early January 2022. They said if he wasn't happy with the changes he could close his account or transfer to another provider within 60 days.

Mr F says he contacted Brewin Dolphin to complain about the new charges straight away, and told them he intended to transfer his holdings somewhere else. By the end of December 2021, Mr F hadn't yet requested a transfer, and was unfortunately taken seriously ill in hospital.

Mr F spoke to Brewin Dolphin in early January 2022. He explained he'd been in poor health and so had been hindered from starting to transfer away from their service. He says he understood from the phone call that he wouldn't be charged the new fees.

Mr F's portfolio began to be charged under the new fee schedule, and he complained. Brewin Dolphin didn't uphold the complaint, saying that they'd provided enough time for him to move his account, and that they were entitled to make the changes to their fees.

One of our investigators looked into things. He listened to the call between Mr F and Brewin Dolphin from the start of January 2022. He said he thought there'd been a misunderstanding between Mr F and the Brewin Dolphin employee, but he didn't think Brewin Dolphin had offered to extend the grace period for Mr F to carry out a transfer.

The investigator thought Brewin Dolphin should have been more sympathetic to Mr F's situation. He said they ought to have provided a short extension for Mr F to make arrangements for a transfer, as his intent had been clear and he'd been incapacitated in hospital for some weeks. However the investigator noted that by October 2022 Mr F still hadn't transferred his account. So he thought that even if Brewin Dolphin had given Mr F an extra few weeks, it wouldn't have stopped him holding his account for long enough to mean it was fair for Brewin Dolphin to charge the new fees. Overall he thought the lack of care shown to Mr F added to the misunderstanding and distress Mr F had suffered during his interactions with Brewin Dolphin, and said the firm should pay him £150 to say sorry.

Brewin Dolphin accepted our investigator's conclusions, but Mr F didn't. He maintained he hadn't been treated fairly and asked for an ombudsman's 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 reached the same conclusions as our investigator and for broadly the same reasons. I'd like to start by saying I have a great deal of sympathy for Mr F and the situation he found himself in. I can see from his submissions that he was experiencing a very difficult time at the end of 2021.

I've thought carefully about Brewin Dolphin's actions here, giving weight to Mr F's circumstances. With regard to the change in their fees, I'm satisfied that was something Brewin Dolphin were entitled to do. Their terms provided for the firm to vary their charges, and I find that they did so in a fair and reasonable way. They explained the reasons for the change, and gave Mr F notice before the change came into place. They also allowed Mr F the option to leave Brewin Dolphin without cost if he didn't want to pay the fees. Overall, and mindful that in general it's fair for a business to set the costs of its services as it sees fit in line with its commercial judgement, I don't think it was unfair or unreasonable of Brewin Dolphin to make the changes they did.

I think Brewin Dolphin provided a reasonable amount of notice, and opportunity for Mr F to make alternative arrangements. Their letter outlining the changes was sent a month before the new fees came into effect. And they allowed longer still (60 days) for Mr F to move his holdings without suffering any exit penalties. I'm mindful here that it can take time to find a new provider, and that Mr F had a large portfolio and therefore may understandably have wanted to choose carefully and ensure he went somewhere that could provide the service he required. But I'm of the view that Brewin Dolphin had given him enough time to find a new provider and transfer his holdings before he'd have to start paying the new fees.

My understanding is that Mr F hadn't yet done so when he fell ill towards the end of December 2021. I can understand why this made it difficult for him to make arrangements during the time he was in hospital, and I've given weight to the fact he tried to contact Brewin Dolphin in early January 2022 to explain the situation.

Like our investigator, having listened to Mr F's call with Brewin Dolphin I'm not persuaded they gave him a clear agreement that he wouldn't start paying fees if he hadn't transferred his holdings to another provider within 60 days of their original letter.

Overall, acknowledging the ill health Mr F suffered at the end of 2021, I'm satisfied Brewin Dolphin provided him with a reasonable timeframe within which to request a transfer of his holdings to another provider, which all parties agree was his intent. I therefore don't think it would be fair to hold Brewin Dolphin responsible for any charges Mr F paid because he didn't request a transfer within that timeframe.

I would also note that I agree with our investigator that, even if Brewin Dolphin had provided a small extension to the grace period, on balance it's unlikely that Mr F would have effected a transfer in time, as his eventual transfer away from Brewin Dolphin still hadn't completed some 10 months later.

Putting things right

Our investigator thought Brewin Dolphin should pay Mr F £150 for not showing more sympathy for the issues he was experiencing and offering some flexibility. I agree that this will have caused Mr F some distress, and that £150 is fair compensation for that.

My final decision

For the reasons I've given, my decision is that Brewin Dolphin Limited must pay Mr F £150.

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

reject my decision before 9 January 2024.

Luke Gordon
Ombudsman