

## The complaint

Mr M is unhappy that Hargreaves Lansdown Asset Management Ltd (HLAM) are unable to offer fixed-term cash investment products within the Self-Invested Personal Pension (SIPP) he has with them.

## What happened

Mr M has had a self-invested SIPP with HLAM for a number of years. He approached them, asking to transfer cash funds in his SIPP into fixed term interest bearing accounts. HLAM advised this wasn't possible.

They explained that, whilst it was possible for Mr M to retain cash in his SIPP (earning variable interest), they didn't offer fixed term interest bearing accounts within the SIPP. Mr M complained to HLAM about this, as he felt their restriction prevented him from making multiple investments in the manner he wished, but they didn't uphold his complaint.

HLAM explained, whilst they offered 'Active Savings accounts' (a type of fixed term interest bearing account), these are separate investment products that HLAM didn't offer within their SIPPs at that time – albeit that position may be reviewed at some point in the future. And they said Mr M was still benefitting from interest on his deposits at their current standard variable rate. They also believed Mr M should have been aware Active Savings accounts weren't available within his SIPP, as this was clearly stated on their website. Accordingly, HLAM felt they hadn't acted in error.

Unhappy with HLAM's response, Mr M brought his complaint to this Service. He wanted us to compel HLAM to provide access to the relevant accounts within his SIPP. However, one of our Investigator's concluded HLAM hadn't done anything wrong here, for essentially the same reasons as outlined by HLAM.

Mr M made further representations to our Investigator, broadly summarised as follows:

- HLAM, by only allowing Mr M to hold his cash deposits in lesser interest-bearing accounts (without FSCS protection), are forcing him to make riskier low-yield investments than if the Active Savings accounts were capable of being held in his SIPP.
- SIPP providers aren't passing on market rates for cash savings to their customers – an industry wide problem – meaning SIPP holder are being denied access to certain investments due to the greed of the SIPP providers.
- Presumably the Government would want to ensure SIPP investors have access to all suitable investments, and it *"was not in line with general regulatory principles and good industry practice to deprive SIPP owners of safe and simple investment products which would otherwise be available to non-SIPP owners"*.
- Mr M's dispute was an individual one with HLAM – and *"that the rest of the SIPP industry engages in this unfair practice does not excuse HLAM's individual business decisions"*.

Mr M asked for his complaint to be considered by an Ombudsman, and so it's been passed to me to consider and issue a 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.

And, having done so, I'm not upholding this complaint, for broadly the same reasons. I acknowledge the strength of Mr M's feelings on this matter and appreciate this will come as a disappointment to him, so I'll explain why.

Firstly, I should explain the role of our Service. We're an informal dispute resolution service, set up as a free alternative to the courts – our role is to resolve individual disputes between consumers and businesses. And where we think a business has made an error or treated the consumer unfairly, we'll ask that business to put things right.

However, our powers don't extend to being able to tell a business how they should manage their operations, or more specifically – as is the case here - tell them what products to offer their consumers. Any business is entitled to choose what products to offer/provide – that is their commercial decision, and it isn't one we can influence or dictate. Any complaint(s) about how a (financial services) business operates, and whether their product offerings accord with “*good industry practice*” are better directed to their regulator, the Financial Conduct Authority (FCA).

I appreciate Mr M suggests I should consider his relationship with HLAM in isolation, ignoring as he puts it that “*the rest of the SIPP industry engages in this unfair practice*”. And he's right that I must (and can) focus only on his interactions with HLAM in his individual capacity as an investor within their SIPP product. And I do understand his frustrations that he's not able to – at least within the HLAM SIPP his cash funds are held in – invest them within what he believes would be a more financially attractive, and secure, product.

So, whilst I can't consider HLAM's decision not to offer a particular product within their SIPP, I can still look at whether HLAM have treated Mr M fairly in how they've dealt with him.

Here, I think HLAM have been clear in their dealings with Mr M that they don't offer the Active Savings Accounts within their SIPP. I think they've provided him with a clear explanation as to why that is. And they've explained they may be reviewing that decision and may consider offering such accounts within their SIPP in future. I've seen nothing to suggest Mr M has been treated differently to any other HLAM customer in relation to this matter. I think HLAM have been clear and consistent in explaining which products can sit within their SIPP account.

Further, I haven't seen any evidence to suggest HLAM misled Mr M or provided any documentation that could have caused him to believe they were able to offer such accounts within their SIPP at any time. So, I can't reasonably conclude HLAM have done anything wrong here in terms of how they've dealt with Mr M on an individual basis.

So, while I realise it's not the answer Mr M wanted, for the reasons set out above, I don't think HLAM have acted unfairly here, and I won't be asking them to do anything further.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 27 October 2023.

Mark Evans  
**Ombudsman**