

complaint

Mr S's complaint relates to changes that Hargreaves Lansdown Asset Management Limited ("HL") has made to his self-invested personal pension ("SIPP"). He is unhappy that the management charge has increased, and that an exit fee has been imposed. He wants HL to refund the additional charges, and to allow him to leave without penalty.

background

Mr S took out a SIPP with HL in 2009.

Mr S complained to HL in 2015. He said that the charges on his account had been increased and a new exit fee had been introduced but he had not been told about the changes.

HL did not uphold Mr S's complaint. It said:

- The changes had been made in response to new regulations introduced by the Financial Conduct Authority;
- It had written to all clients in January 2014 explaining the changes;
- Its records showed that the letter and supporting documents had been sent to the address held on file for Mr S;
- The changes had also been signposted on the website since they were announced;
- As it was satisfied it had taken reasonable steps to inform Mr S of the changes, it would not waive the account closure fee if Mr S decided to close his account.

Mr S wasn't happy with HL's response. He said he hadn't received a letter in January 2014, and that HL should have sent it by recorded delivery to ensure it was received. But HL didn't agree, so Mr S brought his complaint to this service.

The adjudicator who assessed Mr S's complaint didn't uphold it. She said:

- she felt it more likely than not that the letter of January 2014 had been sent to the correct address;
- there was no regulatory requirement for HL to have sent the correspondence via recorded delivery;
- Mr S had opted in to the paperless service, and so would have been able to access HL's website, which also showed information about the changes.

Mr S doesn't agree with the adjudicator's conclusions. He says in particular that:

- He doesn't believe that HL should have told him about the changes by post. He was registered for the paperless service and HL should have sent the information by email. HL has sent all other important information by email;
- HL has not provided any evidence that it sent the letter;
- If he had been told about the changes in January 2014 he would have had the opportunity to move his pension before the exit fees came into effect.

my findings

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 find that I have come to the same conclusions as the adjudicator, and for much the same reasons.

I have seen a copy of the terms and conditions of the plan at the time Mr S took it out. HL reserved the right to amend the terms, and said it would provide clients with at least 30 days advance notice of a material change.

HL says wrote to its clients in January 2014 telling them of changes that would take place. And it sent a copy of a booklet which provided details of the changes that were to be made to the charges. The changes came into effect in March 2014. So I'm satisfied that HL made the changes in accordance with its terms and conditions.

Mr S says that he did not receive the letter in January 2014. I appreciate that letters do sometimes go missing in the post. But Mr S has confirmed that the address HL held on file was his correct postal address. So I am not persuaded that the fact that Mr S did not receive the letter was due to HL's error.

I note that Mr S says that HL has not provided any evidence that it sent the letter. But it has provided this service with a screen shot of its database, and I am persuaded, on balance, that this shows that the letter and enclosures were sent.

Mr S says that HL should have sent him information about the changes by email, as he was registered for the paperless service. But I note that the terms for the paperless service only relate to contract notes, investment reports and share and fund alerts. HL says that it took the decision to send the information about the changes by post to all clients, as it felt it was the most appropriate method of communication. This was a decision for HL's commercial judgement, and I do not find it unreasonable.

As I have not found that HL made an error, I do not find it reasonable to require it to refund the additional charges or to waive the exit fees applicable to Mr S's plan.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 February 2016.

Alison Cribbs
ombudsman