

# DIY private pension investors set to receive £6 million a year boost as Hargreaves Lansdown introduces SIPP loyalty bonus

Submitted by: Hargreaves Lansdown

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Over 120,000 Self Invested Personal Pension (SIPP) investors are set to benefit from a £6 million a year boost to their retirement savings as Hargreaves Lansdown introduces a SIPP loyalty bonus (<http://www.hl.co.uk/pensions/sipp/loyalty-bonus>) of up to 0.5% a year on over 1,000 investment funds.

How much could investors receive? Here are some examples, based on the 0.25% bonus on one of Hargreaves Lansdown's clients' most popular funds, Neil Woodford's Invesco Perpetual High Income fund.

£20,000 SIPP VALUE >> £660 LOYALTY BONUS WORTH IN 10 YEARS

£50,000 SIPP VALUE >> £1,650 LOYALTY BONUS WORTH IN 10 YEARS

£200,000 SIPP VALUE >> £6,603 LOYALTY BONUS WORTH IN 10 YEARS

To put this in context, clients at Hargreaves Lansdown transfer pensions worth £77,471 on average to their SIPP. On this size fund, the loyalty bonus could effectively add £2,557 over 10 years.

The SIPP loyalty bonus will be credited to investors' accounts as cash, in most cases monthly, starting in January 2013. Investors do not have to do anything to receive the bonus, it will be credited automatically.

## Small Pots

With all the policy focus on small pots and the desirability of encouraging consolidation, it is worth noting that over half (51%) of Hargreaves Lansdown SIPP investors have chosen to transfer their existing pension(s) into their SIPP account.

Client Mr Kevin Ashworth, from Lancashire 'Receiving a loyalty bonus is an added bonus. After 10 years I estimate I'll be more than £1,300 better off thanks to the loyalty bonus. I'm certainly glad I chose to invest with Hargreaves Lansdown.'

Tom McPhail, Head of Pensions Research 'Hargreaves Lansdown already provides over £200 million a year in discounts and rebates to our clients. Technology improvements and greater economies of scale mean we can now bring our SIPP discounts up to the same level as our ISA. In doing so we expect to boost our clients' pensions by £6 million in the next year alone and cement our position as the UK's largest and best, low cost SIPP provider.'

Client Ms Alicia Fox, from Cornwall 'The loyalty bonus on our ISAs runs into the hundreds of pounds every year. Naturally, I'm very happy I'm getting one on my SIPP too.'

Visit [www.hl.co.uk/bonus](http://www.hl.co.uk/bonus) (<http://www.hl.co.uk/bonus>) to find out more.

## IMPORTANT INVESTMENT NOTES

A SIPP is a type of pension for people comfortable making their own investment decisions. If you are unsure of an investment's suitability you should seek advice, because this video is not personal advice.

Investments go down in value as well as up so you could get back less than you invest. The loyalty bonus referred to in the video will be available in the Vantage SIPP from January 2013 on investments of at least £1,000 in eligible funds. The figures assume loyalty bonuses will remain the same for 10 years, but they are subject to change; if we can't pay cash bonuses we will endeavour to pay comparable benefits. Cash back offer deadline 23 October 2012. Terms apply. See [www.hl.co.uk/bonus](http://www.hl.co.uk/bonus) for full details.

#### Additional information

The Loyalty Bonus is available on 1,098 funds from 87 fund companies.

In sharp contrast to most pension investors, 95.6% of Hargreaves Lansdown SIPP investors check their pension at least once a quarter.

Over half of all Hargreaves Lansdown SIPP investors have consolidated existing pensions into their Vantage SIPP.

In the first 8 months of 2012, the Pensions Helpdesk at Hargreaves Lansdown's Bristol office answered 141,991 phone calls; the average call waiting time was 9.8 seconds.

In the first half of 2012, the pensions team at Hargreaves Lansdown received 13,653 letters and emails and answered 96% the same day or next day.

In a June 2012 customer service survey, 100% of SIPP clients rated the Hargreaves Lansdown service as 'good' 'very good' or 'excellent' (260 respondents).

Hargreaves Lansdown has just been voted "Best SIPP Provider" by What Investment readers for the sixth year running.

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## NOTES TO EDITORS

### About Hargreaves Lansdown

Hargreaves Lansdown is a leading provider of investment management products and services to private investors in the UK.

Founded in 1981 by Peter Hargreaves and Stephen Lansdown, Hargreaves Lansdown floated on the UK stock market in May 2007. Hargreaves Lansdown is a broad and diversified business and has established a reputation for providing high quality service and value for money products to private and corporate investors. Key features of Hargreaves Lansdown's business include:

- Providing investment products (including ISAs, SIPPs, funds, equities, venture capital trusts and pensions), as well as fund selection, stockbroking, advisory, discretionary and asset administration services.
- Administering approximately £24.6 billion of assets through Vantage directly on behalf of approximately 425,000 private investors. In total, Hargreaves Lansdown has £26.3 billion of assets under administration and management.
- The group manages £2.4 billion of funds through its own range of proprietary multi manager funds and a discretionary management service, of which some £800 million is held within Vantage.
- Hargreaves Lansdown aims to provide the best information, the best service and the best price. Hargreaves Lansdown provided over £200 million in discounts and rebates for their clients over the last year.

Based in Bristol, the business employs over 650 people and has been recognised through numerous industry awards, including:

- Best Online Fund Supermarket - MoneyAM
- Overall Online Finance Provider - MoneyAM
- Best Workplace Wrap/Platform 2012 - Professional Pensions
- Best SIPP Provider 2012 - What Investment (as well as 2007, 2008, 2009, 2010, and 2011)
- Best Independent Financial Adviser 2010 - What Investment
- Best Investment Adviser 2009 - Money Marketing
- Best Investment Manager 2008 - FT and Investors Chronicle Wealth Management Awards

### About Vantage

Vantage is the Group's direct-to-private investor investment supermarket. Vantage is suited for clients who like to make their own investment decisions or choose from Hargreaves Lansdown's multi-manager range. The investments are administered by Hargreaves Lansdown and held in nominee accounts. Vantage offers clients the administrative convenience of holding all their assets (whether funds, equities or cash) in one place with online access via ISAs, SIPPs or with no tax wrapper.

We now also offer Corporate Vantage, a workplace savings account which employers can offer to their staff. Both employer and employee can contribute to a SIPP, ISA or investment account via payroll.

Employees can then view and manage their savings online, through a website branded to their employer.

For more information visit [www.hl.co.uk](http://www.hl.co.uk)