Guide — Information Only

SIPP Operator Liability

General information guide. Not financial or legal advice. For a free assessment visit redressadvisory.com

Information only — not advice. This guide is for general information only and does not constitute legal or financial advice. Redress Advisory Ltd is applying for authorisation as a Claims Management Company (FCA reference: to be confirmed). You may pursue a pension complaint directly and free of charge via the Financial Ombudsman Service or the FSCS.

What Is a SIPP Operator?

A Self-Invested Personal Pension (SIPP) operator is the FCA-authorised firm that administers the SIPP wrapper — accepting transfers, holding assets, and carrying out the administrative function. The SIPP operator is separate from any financial adviser who recommended the transfer.

The SIPP Operator's Due Diligence Duty

Berkeley Burke v FOS [2018] EWHC 2878 established that a SIPP operator cannot use execution-only contractual status to avoid its duty to conduct adequate due diligence on the introducing firm and the underlying investments. This duty is non-delegable — it cannot be contracted away.

FSMA s.27 — Unenforceable Contracts

Adams v Options UK [2021] EWCA Civ 1188 established that where a SIPP is established through an unregulated intermediary, the contract is unenforceable under FSMA s.27. The remedy is full unwinding — the original transfer value is recoverable regardless of the FSCS cap.

The FSA Warning List — Constructive Knowledge

Fletcher v Options UK [2024] EWCA Civ 541 confirmed that SIPP operators who accepted business from introducers on the publicly available FSA/FCA warning list cannot rely on execution-only terms as a defence. Publicly available information is sufficient to establish constructive knowledge.

How to Claim Against a SIPP Operator

SIPP operator claims run separately from adviser suitability claims. If your SIPP operator is in FSCS default, direct FSCS claims are open. Where the operator is still solvent and failed in its due diligence, FOS and civil court routes apply. Many clients have simultaneous claims against both their adviser and their SIPP operator.

Your rights and our fees

You do not have to use us

You can complain directly to the firm, refer to the Financial Ombudsman Service (www.financial-ombudsman.org.uk · 0800 023 4567) or apply to the FSCS (www.fscs.org.uk · 0800 678 1100) — all completely free. If you use the free routes, you keep 100% of any compensation.

Our fees — CMCOB 5.2 sliding scale, success only

Redress received	Max %	Max fee
Up to £1,499	30%	£420
£1,500–£9,999	28%	£2,500
£10,000–£24,999	25%	£5,000
£25,000–£49,999	20%	£7,500
£50,000 and above	15%	£10,000

Compensation paid directly to you. We invoice after you receive compensation. Nothing to pay if unsuccessful. Source: FCA PS21/18 (Chapter 2, Table 1) & CMCOB 5.2. Excl. VAT.

14-day right to cancel

Cancel any agreement within 14 days of signing, without charge or obligation.

Complaints

Contact complaints@redressadvisory.com. If unresolved, refer to the Financial Ombudsman Service free of charge within 6 months of our final response.