

Why does my SIPP have a bank account?

When you have a SIPP with us, all funds must be paid into or out of the pension scheme audit account which creates an audit record for the pension scheme. This includes contributions, pension payments and other monetary transactions.

The audit account for a pension scheme is not designed to hold large balances of cash for long periods of time, there are other products such as deposit accounts that are available for this.

What interest is earned?

The rate of interest paid on cleared balances held in the audit account is: 1.25% per annum. Interest will be paid on a monthly basis.

Mattioli Woods has a Treasury Committee that meet to discuss where client funds are held and agree the rate of interest that is paid on cash held in the audit accounts.

There are multiple factors that influence the rate we can achieve on these accounts with the Bank of England's base rate being one. The interest rate paid is not guaranteed to stay the same and is likely to change if base rate changes along with other factors, it can go up as well as down. If the rate changes, we will update this page to reflect the new rates. The Bank of England base rate can be found at www.bankofengland.co.uk.

Mattioli Woods will retain an interest payment equivalent to 3.5% per annum on the cash held within your audit account to offset costs for operating this banking arrangement and associated cash management services for our clients. This is outside of the interest you will receive.

Is my money protected?

The Financial Services Compensation Scheme's (FSCS) protection limit (currently £85,000) applies to each banking licence to protect your money in the unlikely event of the failure of the bank.

Does this apply to all SIPPs?

No, this is for our core banking arrangement. Not all pension schemes operate their banking on this basis. Please contact us if you are unsure what bank account your scheme holds.

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