

Suffolk Life urges Government and FSA to take action on regulation of SIPP market

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John Moret, director of sales and marketing at Suffolk Life, one of the UK's leading providers and administrators of specialist pension products, particularly in Self-Invested Personal Pensions (SIPPs) is urging the Government and FSA to take action now to properly regulate the SIPP market before A-day arrives.

Speaking at the Westminster & City conference, John Moret gave an in depth presentation on the future of the SIPP market. He highlighted the recent responses to a survey of SIPP providers, in which over half the respondents said they were unregulated.

Commenting, John Moret, director of sales and marketing at Suffolk Life said: "The survey responses suggest that the current regulatory framework for SIPPs is at best confusing and at worst a shambles. With the huge interest in SIPPs and the projected growth in this market it is vitally important that action is taken now to put in place a regime which will provide the right level of protection for SIPP investors once pensions simplification arrives.

He continued: "Under the current regime, in many cases it is far from clear what would happen in the event of maladministration or worse – and the extent to which compensation schemes would apply. I believe it would be helpful to introduce a new regulated activity of scheme administration. All regulated scheme administrators would be able to establish a scheme post A-day. The appropriate financial resource requirement would ensure a robust new regime operated from day one, with administrators accountable for service provision which will be increasingly important with the new investment freedoms and reporting requirements. This should be of benefit to investors and their advisers."

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About Suffolk Life

Suffolk Life was established in 1971 by a number of Suffolk solicitors. Rather than rely on large traditional insurance companies they established their own specialist company. From these origins the Suffolk Life Group has emerged as one of the leading providers and administrators of specialist pension products – primarily SIPPs. It now administers over 4,000 SIPPS with aggregated assets worth currently over £1billion. Included in the SIPP portfolio are over 900 commercial properties. The group is based in Ipswich and employs over 75 staff. It has built an enviable reputation based on providing excellent service and good value and is used by an increasing number of advisers and customers. Its expertise and reputation for service quality has been recognised through a number of industry awards including the Pensions Management Administration and Service Award in 2002, 2003 and 2004. Its success had led to rapid growth, which is expected to continue with the expansion of the SIPP market.

Further details are available by visiting the Suffolk Life website:
www.suffolklife.co.uk