

A SIPP is for life not just for retirement

23 June 2005

John Moret, director of sales and marketing at Suffolk Life, one of the UK's leading providers and administrators of specialist pension products, and Chairman of the tenth annual Henry Stewart SIPP Conference today confirmed the future looks optimistic for SIPPs. As he claimed, aside from inclusion in an employers scheme the only pension vehicle worth considering will be the SIPP or its successor.

John Moret, who is often referred to as Mr SIPP said: "It is an exciting time for the world of SIPPs and most of us are probably pinching ourselves at the explosion of interest in the SIPP market. My prophecy of half million SIPPs by 2010 would now to turn out to be a dramatic underestimate if, as I believe, the SIPP or its successor the open architecture pension (OAP) becomes the only great alternative to an employer sponsored scheme. Five million SIPPs by 2020 is a realistic forecast.

He continued: The new world provides a vast number of opportunities for advisers and their clients post A-day, but with this prompts a massive reappraisal of the market by the media, politicians, products providers, advisers and other participants in the current value chain. But for providers and administrators the new world heralds some serious worries and concerns. Unless providers have access to a proven and scaleable IT platform and can deliver a service to match, there is a real risk that many current providers particularly some insurance companies, will struggle to create a credible pension proposition. They will lose out to some of the established SIPP and wrap administrators and to new entrants such as banks and investment houses.

He continued: Although understandably much of the attention has focussed on the new investment options such as residential property and exotica – behind this veil of opportunity there is a serious threat to many existing players for whom individual pension business has been their life blood.

He concluded: The next few years could provide extensive change in the value proposition from which at long last the consumer may benefit. This in turn may start to restore some confidence in the pension's world – and not before time."

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Notes to Editors

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