

Platforms will never dominate the individual pensions market

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John Moret, Director of Sales and Marketing at Suffolk Life, has raised doubts over the ability of platforms and wraps to dominate the future pensions market in the way that some commentators and providers have suggested.

Speaking at the recent Cicero forum on "Building a profitable platform business in the UK" he said: "The idea that platforms will build a dominant position in the pensions market place in the next few years is misplaced. Based on our experience in the SIPP market assets such as equities and property are either unsuitable or operationally too complex to be of interest to platforms. Of the £50 billion of assets currently held in SIPP around 60% is with bespoke providers with a significant proportion invested with discretionary investment managers or in property.

"I believe that over the next 3 to 5 years platforms will have a greater presence in the pensions market but it will be at the expense of life companies' personal pensions rather than SIPP assets. There is a growing battle being fought here mainly around collective investments and this is where platforms and fund supermarkets are in a strong position."

In a wide ranging talk he also suggested that service quality will be an increasingly important differentiator with some SIPP and personal pension operators falling well short of acceptable standards when processing transfers. He said that he felt that the Group SIPP and at and post retirement markets offered significant opportunities for both SIPP providers and advisers. He also suggested that claims that the effects of A-Day on new pensions business were over were premature.

- Ends -

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About Suffolk Life

Suffolk Life is one of the UK's leading providers and administrators of specialist pension products, primarily Self Invested Personal Pensions (SIPPs). It has established over 10,000 SIPPs and total assets now exceed £3 billion. Suffolk Life has acquired properties for over 2,500 SIPP investors.

Established in 1971 and based in Ipswich, Suffolk Life employs over 180 people and has built an enviable reputation based on its expertise and knowledge of the SIPP market.

This has been recognised through numerous other awards including:-

Technology, Admin and Service award, SIPPs – Pensions Management 2007 & 2006

Best SIPP Provider - Professional Adviser 2006

Best SIPP Provider - Professional Pensions 2006 & 2005

Best SIPP Product - Moneyfacts 2005

Best Buy - Investors Chronicle 2005

Admin & Service awards, SIPPs – Pensions Management, wins in 2002, 2003 & 2004, commended in 2005

Investor in Customers 2 star award for 2007

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