



## Call for better understanding of SIPPs

27 November, 2009

John Moret, Marketing Director at Suffolk Life...

In his chairman's introductory comments in opening the annual Henry Stewart SIPP and Retirement Options Masterclass John Moret called for a better understanding of SIPPs amongst regulators, media and advisers.

He said "Despite being regulated as packaged products many SIPPs are far removed from traditional personal pension products. Many SIPPs offer a wide range of investment options which demand a totally different regulatory approach to those SIPPs which simply invest in collective investments. Legal structures also vary and yet the regulatory framework doesn't fully recognise all the variations.

He went on "A recent example is the attention given to interest rates on cash deposits. There can be no argument that the investor and adviser need to be absolutely clear on the rates of interest payable on cash deposits – however to suggest that SIPP operators should have to disclose explicitly any interest gained on aggregating those accounts exposes a lack of understanding of the importance of streamlined cash arrangements in ensuring that SIPPs are operated cost effectively and correctly.

Similarly suggestions that in levying investment transaction charges SIPP operators are in some way feeding clients cash into their own funds is mischievous and fails to recognise the true costs and risks associated with dealing with paper based transactions."

He highlighted the continuing interest and growth in the SIPP market which made it all the more important that advisers undertook a thorough review of providers before placing business – which should focus on areas such as the providers systems and controls, experience of the key management, financial strength and other factors including charges, service levels and other product features.

He concluded "The regulatory overhead in operating and advising on SIPPs continues to grow – some would argue disproportionately to the risks involved – and this must inevitably lead to consolidation and potentially increased prices. It maybe that we need a review of the regulatory framework to ensure a structure which more accurately reflects the risks involved."

**Ends**

**For further information, please contact:**

John Moret, Marketing Director  
Suffolk Life  
07711 492440

Louise Dolan / James Marshall  
FD  
020 7269 7192 / 7222

## 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 15,000 self-invested plans and total assets exceed £3 billion. Suffolk Life has acquired over 1,650 properties for over 3,000 SIPP investors.

Established in 1971 and based in Ipswich, Suffolk Life employs around 200 people and has built an enviable reputation based on its expertise and knowledge of the SIPP market.

This has been recognised through numerous awards including:-

Technology, Admin and Service award, Income drawdown – Pensions Management 2008 & 2009

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

Financial Adviser 5 star service award 2008

Investor in Customers 2 star award for 2006 & 2008

Suffolk Life was acquired by Legal and General in May 2008