

Secretariat to the Review of Pensions
Institutions
The Adelphi
Level 3
1 -11 John Adam Street
London
WC2N 6HT

27 March 2007

Dear Sir/Madam

Re: Review of Pensions Institutions: emerging issues

We are grateful for the opportunity to consider and comment on the proposals put forward in the above consultation document and our comments are noted below.

Overall we support any actions that reduce inconsistencies and/or overlaps between regulators where little benefit is gained. However, our favoured position is to leave the various organisations separate but for them to work closely together, much as the FSA and the Financial Services Compensation Scheme currently do.

Is there a good case for bringing FSA and TPR closer together?

On the subject of the Pensions Regulator and FSA boundaries we can see no reason for changing the current status quo.

Is there good case for bringing the PO and FOS closer together?

In respect of the Pensions Ombudsman and the Financial Ombudsman Service, these two areas are entirely different and we therefore see no point in trying to pull them together when different areas of expertise are required.

In addition, we do not believe that there is a case for giving the PO complete jurisdiction over pensions by transferring the FOS's personal pensions remit to the office of the PO.

Are any changes to TPAS functions or boundaries needed?

We do not believe that there is a case for the Pension Advisory Service functions to be taken on by the Pensions Regulator in order to improve its understanding of member concerns. As suggested, we believe this would dilute the distinctive core roles of both.

Are any changes to FSCS functions or boundaries needed?

We are in agreement that there appears to be no need to revise the functions and boundaries of the Financial Services Compensation Scheme.

Impact of pension reforms

The Personal Accounts need to be defined so that regulatory intervention is minimal. If significant regulatory involvement is necessary then a simple pension available to the target market will have failed.

We hope you will find our response helpful. Please do not hesitate to contact us should you require any further information.