

Financial Services Consumer Panel

AN INDEPENDENT VOICE FOR CONSUMERS OF FINANCIAL SERVICES

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Dear Matthew

CP12/33 A new capital regime for Self-Invested Personal Pension operators**

This is the Financial Services Consumer Panel's response to CP12/33** A new capital regime for Self-Invested Personal Pension (SIPP) operators.

Although the Panel is not in a position to address the detailed questions in CP12/33**, we are pleased that the FSA has decided to take action to strengthen the prudential requirements for SIPP operators as proposed in the Paper. We would have liked to have seen the FSA do more to quantify the benefits of the new prudential regime for consumers however, perhaps by using past examples to demonstrate the impact the new capital standards would have had. This would, we think, have greatly strengthened the FSA's proposals for change.

If any SIPP operators decide to exit the market, either as a result of the new prudential requirements or for any other reason, we would like the FSA/FCA to work with firms and possibly the Money Advice Service to ensure that communications with consumers are timely and effective, and that business transfers are as seamless as possible.

Yours sincerely

Adam Phillips
Chair
Financial Services Consumer Panel