

# A new era for SIPP's?

A recent court ruling has the potential to prompt increased regulatory action in the Self-invested Personal Pension (SIPP) market. This landmark case is the first where a SIPP provider's due diligence arrangements have been tested and found to be inadequate. FCA guidance has always been to exercise care in the management of client funds, even with non-mainstream investments.

## What this means for SIPP providers

The recent "Dear CEO" letter from FCA signals their position on SIPP investments and these communications are usually an indicator of further action to follow. Along with the Berkeley Burke case there is now a strong impetus for the regulator to act.

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Complaints management companies (CMCs) have quickly responded to the opportunity. A google search of "Berkeley Burke" reveals several CMCs occupying advertising space at the top of the search engine results page. Providers could start to see an increase in cases brought through this channel.

Exit from Europe and the downturn in property could be another catalyst for increased complaints. This economic uncertainty may provoke concern from scheme members to the performance of their investments; and whether their funds have been managed with care.

## Preparing for more activity

SIPP providers should be preparing for more activity, ensuring that they have the resources and processes in place to handle a spike in volumes. They should also be reviewing client holdings, and investment practices, to identify where they might be exposed.

## How can RFS help?

RFS is a specialist financial services regulatory and resource consultancy. We can support SIPP providers overcome regulatory challenges through a range of services:

**Regulatory Consultancy** - RFS can help you interpret guidance and build the right frameworks that ensure effective policies, processes and practices are integrated in your business.

**Interim Resource** - RFS has a network of 5,000 skilled financial services professionals to meet your resource needs; from senior operations managers to case handlers, providing a full span of control. We can deploy resources quickly and scale up and down as volumes demand.

**Business Review** - RFS has extensive experience in large scale remediation and rectification activity, from programme design through to the delivery of a full managed service.

**Outcome Testing** - RFS is the market leader in Outcome Testing, we can support you in testing that your products and customer experience result in good customer outcomes.

