

**TPAS submission to Institutional Review: 13 February 2007**

## **Review of Pensions Institutions**

We believe that we should respond to the suggestion by TPR that they take over the functions of TPAS as we consider this would not be in the best interests of the public at whom our services are aimed.

One of the advantages put forward is that it would be to the benefit of TPR in that communications on issues such as scheme governance or e-learning they could reach a wider audience using TPAS's channels of communication. Our channels are our Helpline and web site. TPR have their own Helpline and website and if members of the public do not currently refer their queries to TPR it must be for other reasons.

We suspect these other reasons to include:  
the fact they do not see TPR as independent,  
many of our enquiries come from people who are not members of schemes, personal or occupational,  
many of our enquiries concern the State scheme (about 20% of all calls),  
calls about regulatory matters are rare.

It is true that TPAS does learn of issues that concern the public and about which we believe action should be taken by other bodies. TPR is only one such body. In our submission we made it clear that we see it is one of our key objectives to bring to the notice of the relevant body, matters we believe fall within their remit.

Reference is made to TPR being more proactive as a result of this knowledge. Reference is also made by TPR to the issue of incentivised transfers as one matter brought to the attention of TPR by TPAS. However, TPAS first advised TPR about this issue in the Autumn of 2005 but it was not until 24 Jan 2007 that TPR issued their guidance on the matter.

The perceived advantage for the public in TPR taking over TPAS is to provide a single point of contact for advice and regulatory matters. Yet TPR's own statistics show that they only get about 25 calls per month where they refer the caller to TPAS. Our statistics indicate that in the quarter to 31 Dec 2006, we only received 30 calls relating to regulatory issues. This was out of 11000 calls. We assume this shows that members of the public who have concerns about regulatory matters have no trouble in identifying the correct body to contact.

TPAS has clearly identified itself as a consumer organisation, promoting the interests of the public on pension issues, whether they are scheme members or not. We think that it would be difficult for a regulatory organisation to adopt such a stance.

We also believe it would be difficult for TPR to represent member's complaints to trustees, employers, providers, administrators etc. Its impartiality and authority would on occasions be compromised. We do not think it could act as an independent mediator any more than the Pensions Ombudsman. Any suggestion from them would take on the force of a mandate. This is not the role of a mediator.

We believe that it's involvement would lead to increased costs on the part of respondents to a complaint as most will inevitably feel the need to get their solicitors involved at the earliest possible point. This does not normally happen when TPAS intervenes and currently only tends to occur when the Ombudsman becomes involved.

Finally there is the issue of TPAS being predominantly a voluntary organisation. There is great social and financial value in this. TPAS, because of its voluntary nature, is a unique organisation and has a unique place in the pensions scene in the UK. We fear a takeover by TPR will fundamentally change the nature of TPAS. We think we would lose most of the volunteers.

There is very little overlap in our current roles. A takeover would really result in an expansion of TPR's remit, an expansion that we do not see as necessary.