

# Letter to the Editor (Financial Adviser) - Response to 'Permitted Investment List Could Stifle Innovation' article.

Adam Wrench, Head of Business and Product Development, London & Colonial

Dear Sir,

As you'll be aware, the pensions industry is unfortunately no stranger to scandal. That is why it is imperative that we, as an industry, work together to prevent pension savers becoming embroiled in further scandals and to help to restore trust and faith in pensions.

London & Colonial have been firm in our calls for a permitted investment list to be reinstated across SIPPs, SSAS and QROPS. Such a list, agreed and authorised by The HMRC, FCA and the Pensions Regulator, would not only help to clear up any grey areas surrounding the wide range of investments available, but would place more of an emphasis upon those investments pension savers can comfortably invest in.

Talbot & Muir have been quoted as saying that such a list would "stifle innovation" which we wholeheartedly disagree with as it is possible to have product innovation without exposing the client to unnecessary risk.

However, we are in agreement with Talbot & Muir in suggesting that HMRC undertake an industry wide consultation on what a restored permitted investments list should look like. Of course, different views will be had, but it's important that we work as an industry to recognise best practice and standards for clients. There is a huge grey area when it comes to pension investments that are open to legal interpretation and providers should work together, along with HMRC, the FCA and The Pensions Regulator, to discuss ways in which this can be overcome.

In my opinion, HMRC should urgently instigate a consultation across all pension providers regarding the reinstatement of a permitted investment list, but at the same time it is important for that we as an industry work together to shield our clients from any unnecessary risks.

Yours Faithfully,

Adam Wrench

-ENDS-

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## Notes to Editors

### About London & Colonial

London & Colonial specialises in self-invested products for both UK residents and persons resident overseas.

The London & Colonial Group includes

- (1) London & Colonial Holdings Limited – UK parent company
- (2) London & Colonial Services Limited which is regulated by the UK Financial Services Authority and operates SIPPs and SSASs
- (3) London & Colonial Assurance PLC which is regulated by the Gibraltar Financial Services Commission (matching UK standards) and which offers Open Annuities, QROP Annuities and Open Offshore Bonds
- (4) L&C (Administration Services 2) Limited and London & Colonial (Trustee Services) Limited which are both based in Gibraltar and offer the EU SIPP.

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