

The Occupational Pension Schemes (Internal Dispute Resolution Procedures Consequential and Miscellaneous Amendments) Regulations 2008

Consultation on Draft Regulations - A DWP document

A response by **The National Association of Pension Funds** - December 2007

1) This response is from the National Association of Pension Funds (NAPF). The NAPF is the leading voice of workplace pension provision in the UK. Some 10 million working people are currently in NAPF member schemes, while around 5 million pensioners are receiving valuable retirement income from such schemes. NAPF Member schemes hold assets of around £800billion, and account for over one fifth of investment in the UK stock market.

2) The consultation calls for comments on any aspect of the draft regulations and specifically welcomes views on whether there is a case for imposing a statutory obligation on pension schemes to tell IDR applicants about The Pensions Advisory Service (TPAS).

3) The NAPF believes that any statutory obligation should require schemes to inform members that advice services are available and that the scheme should be left to decide on which to highlight. Clearly, under current circumstances, fulfilling such a statutory obligation would lead schemes to tell IDR applicants about TPAS. But with the future provision of generic financial advice being a topic currently under wide debate, we feel that limiting an obligation in respect of advice services to one organisation is inappropriate at the present time.

4) The NAPF believes that the duty to inform applicants about the existence of advice services should apply at the initial response stage, unless that response resolves the dispute. The communication should not constitute an administrative burden as any pension scheme operating an IDR can be expected to have a standard response letter. It would certainly help avoid the risk, identified in the consultation paper, of unresolved disputes being referred to the Pensions Ombudsman without the applicant being aware of services offered.

Alan Chart

Policy Adviser: Regulation

Alan.chart@napf.co.uk

21 December 2007