30 January 2019

Dear Mr Field,

Thank you for the copy of your recent letter to the Pensions Regulator (TPR) regarding Caroline Rookes’ report into communications to members of the British Steel Pension Scheme, dated 24 January 2019. The review sets out number of significant and practical recommendations on how the SFGB should work with industry bodies to better protect members of other schemes through restructuring in the future.

As you will be aware, at the beginning of this month, the Single Financial Guidance Body (SFGB) has been created from three existing providers of government-sponsored financial guidance, the Money Advice Service, the Pensions Advisory Service and Pension Wise, bringing together for the first time the provision of debt advice, money guidance and pensions guidance.

With the transition of three different guidance services into the SFGB completed, my first task is to work with our current and future stakeholders to define a clear purposeful strategy for the coming years. I am committed to an SFGB that will achieve more than the sum of its parts; that will provide a more effective and joined up service, making it easier for people to access the help they need with money and pensions at different life stages. The framework created by the Financial Guidance and Claims Act enables the SFGB to work with government and industry to re-focus public financial guidance on areas of the greatest need and impact. In defining our strategy, we will work closely with TPR and FCA to take on and respond to the recommendations of the Rookes review on intervening earlier and improving the effectiveness of communications to consumers and employers.

This will mean building on the achievements of the separate guidance services to date. For instance, the TPAS helpline provides immediate guidance to customers who have sought urgent help when they are being pressurised to make decisions about whether to transfer their pension, and following discussions with the FCA, a dedicated helpline was set up for British Steel members in November 2017 to respond to the high volume of complex queries from scheme members. We are also working closely with the regulated intermediary market to ensure clear and effective signposting to regulated specialists in the area of DB transfers. For instance, we have been working with the Personal Finance Society and members of the industry to develop a standard for pension transfer advice, which, when completed, will be communicated and promoted through our Retirement Adviser Directory. You will also be aware of the joint protocol published last week by TPR, the FCA and the SFGB to ensure we work in a co-
ordinated way to support members of pension schemes, which we will build on in light of Rookes’ report.

To improve outcomes and deliver improved protection for consumers that is truly preventive, pensions guidance must be part of a wider network of approaches and interventions, regulations and awareness raising to create a stronger norm of seeking guidance and advice. We will use our forthcoming consultation and listening exercise on the SFGB’s first corporate strategy to understand the most effective role for the SFGB, in collaboration with regulators and the industry, to improve communications and enhance wider consumer protection in line with the recommendations of Caroline Rookes’ report.

Thank you again for your letter. As the Single Financial Guidance Body develops its strategy and future plan, I will be in touch with you again to invite further input on this, and I am pleased to note that you will shortly be meeting with my Chair Sir Hector Sants.

Yours sincerely,

[Signature]

John Govett
Chief Executive Officer
Single Financial Guidance Body