



Work and Pensions Committee

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From the Chair

29 November 2018

Stuart Hopewell
Co-Director, Pre-Pack Pool
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Dear Stuart,

I was interested to read your comments on the use of pre-pack administrations, as reported in the Financial Times on 25 November. You may know that the Work and Pensions Committee has been raising concerns for some time now about the apparent ease with which pension liabilities can be jettisoned when a business enters administration.

In the light of your comments, might I please ask you:

1. Under the current voluntary system, are there sufficient incentives to encourage businesses to seek a view from the Pre-Pack Pool? If not, what more is needed?
2. In your view, does the Pool need greater powers to raise concerns in cases where the objective of a pre-pack administration is the avoidance of pension liabilities or tax? If so, how might that work?
3. Are you able to disclose whether the Pool was asked to give a view on the sale of Johnston Press, and if so what that view was? If not, is there a case for increased transparency about your work?

I will be placing this letter, and in due course your reply, in the public domain.

Best wishes and I look forward to hearing from you,

Rt Hon Frank Field MP
Chair