



Direct line: +44 20 7066 5398  
Local fax: +44 20 7066 5399  
Email: paul.rich@fca.org.uk

Noline Matemera  
Stephenson Harwood LLP  
1 Finsbury Circus  
London  
EC2M 7SH

**Financial Conduct Authority**  
25 The North Colonnade  
Canary Wharf  
London  
E14 5HS

Tel: +44 (0)20 7066 1000  
Fax: +44 (0)20 7066 1099  
www.fca.org.uk

5 July 2013

Our Ref:

Your Ref:

Dear Ms Matemera

**RE: CP12/33: A new capital regime for Self-Invested Personal Pension (SIPP) operators (the consultation)**

Thank you for your letter of 21 June 2013 addressed to Chris Woolard, our Director of Policy, Risk and Research. Your letter relates to concerns expressed by your client (the Association of Member-Directed Pension Schemes) regarding our engagement with the SIPP industry and Chris has asked me to reply on his behalf.

While we are always happy to consider suggestions as to how we might better engage with the individuals and firms we regulate, I'm afraid that I cannot accept your general contention that we have failed to engage properly with the SIPP industry. Moreover, the CP12/33 policy team does not believe that your characterisation of its engagement with AMPS is fair or accurate.

You acknowledge that it is important that we should formulate policy independently and that, in doing so, we have a statutory duty to consult on changes to our rules. However, much of the rest of your letter seems to reflect a belief on your clients' part that we should grant them privileged access to our thinking and conclusions in relation to the CP12/33 consultation. We cannot accede to this request.

You will be aware that, after reviewing the responses to a Consultation Paper, our general approach is to publish a Policy Statement. This will set out any changes we have concluded that we should make to our original proposals and any final rules. In instances where we conclude that we should make fundamental changes to our original proposals we will issue a further Consultation Paper in respect of these.

CP12/33 was issued on 22 November 2012, with a three month consultation period. During that period AMPS met with the policy team (on 17 January 2013) to discuss our proposals further. You may also be aware that the policy team met with AMPS prior to the consultation to discuss our capital requirements for SIPP operators. The policy team is clear that nothing it

has said in either of these meeting could be interpreted as meaning that we would not be following our usual consultation process or that we would be prepared to grant AMPS privileged access to our thinking and conclusions in relation to the CP12/33 consultation.

In terms of the meeting on 16 May, we advised AMPS on 30 April that we would not enter into a two-way discussion or treat any of their remarks as a formal response to the consultation. AMPS' answer to this made it clear that they **did** want our policy team to discuss detailed points relating to their consultation response. The team felt that this was inappropriate and, therefore, did not participate in the meeting. The other agenda items requested by AMPS were covered during the meeting.

In closing, we received over fifty responses to our consultation. We are in the process of reviewing these and are determined to fully consider all of the concerns expressed therein before arriving at final rules. We will communicate the next steps later this year. More information will be available at [www.fca.org.uk](http://www.fca.org.uk).

Yours sincerely



**Paul Rich**  
**Manager, Intermediary Firms Prudential Standards Team**