

Parties are unsure as to when regulator will make final decision on review

Industry at odds over reading RDR roadmap

REGULATION

by James Redgrave

Confusion reigns over the progress of the City regulator's retail distribution review, with leading financial services representatives having conflicting details on how the document will progress in the next few months.

The FSA has said it plans to submit its feedback statement to its board in September, before publication in October, after which a consultation document will be published at the beginning of 2009, with the final proposals in no later than three months.

But leading industry players, including Chris Cummings, director general of the Association of IFAs; Phil Hall, media relations chief for the IFS School of Finance; and Jared Aitken,

spokesman for IFA network Sesame, have all been under the impression that the report to be published in October would have been the consultation document, to be followed in three months by the final proposals.

Both the Association of British Insurers and the Chartered Insurers Institute have been aware of the FSA proposals.

After speculation last week the FSA board might vote on the next stage of the review as early as their July board meeting, the authority has now confirmed the form of the latest 'feedback' document will be decided in September, in time for publication the following month.

Mr Cummings claimed he believed the October document would have been the consultation document. He said: "What will be out in October will be the consultation document. I would find it surprising not to have the consultation in October. There is still a long way to go."

And Mr Hall also said: "The FSA's interim report, published in April this year, gave a good indication as to the FSA's thinking following its six month consultation with industry. It then went to state that its final decisions on the future implementation of any



Thomson: speculation

regulatory changes coming out of the RDR will be published in October 2008 - although I understand that these 'final' decisions will still then need to be formally consulted on."

Mr Aitken, a Sesame spokesman, claimed: "October is the final report. That is when we understand the final paper will be issued."

Cerris Tavinor, retail team press office manager for the FSA, has confirmed the October document will simply be an update on the regulator's "direction of travel" towards a further paper, on which there will be a consultation.

But she said this development is not due until early next year, with no consultation until after that and then the final review.

She added: "The feedback statement in October is not for consultation. It analyses the responses that we have had.

"We will follow that with a consultation paper, next we will go for consultation, then there is the final policy statement."

Adam Richards-Gray, regulatory services press spokesman for the FSA, added: "Until now, we have sought stakeholders' views on the broader issues which is different to the consultation that will need to happen post-October, and which will focus on specific and definite proposals."

David Thomson, director of public affairs for the CII, said he did not expect the consultation paper until early 2009 and the FSA had been "as open as possible" with his organisation.

He said: "If people are speculating on the timetable, then they are doing it on the basis of what they think, not what the FSA has said."

John French, assistant director of media relations for the ABI, said: "We expect there to be some sort of formal consultation document some time in the spring of 2009."

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