



Press release: 8 February 2019

Tom McPhail announced as Founding Chair of STAR Steering Group

Tom McPhail, Head of Policy at Hargreaves Lansdown, has been announced as the Founding Chair of the STAR Steering Group.

The Steering Group will have members selected by participants of STAR. It will set the priorities and oversee the operational delivery of underlying working groups. These will be tasked with creating and maintaining service level agreements (SLAs) to be adopted by the industry to effect smoother transfers for consumers across the pensions and investments industry.

The announcement was made at a seminar attended by over 90 industry representatives gathered to hear more about STAR and how they could become involved in the initiative, a joint venture between Criterion and TeX established to help bring the industry together to address the inconsistencies in transfer times for pensions and investments.

Explaining why he and Hargreaves Lansdown had committed to STAR, McPhail said: "Government and Regulators have set a clear challenge to the industry: fix this for the benefit of your customers or we'll impose regulations on you. Like many other companies, Hargreaves Lansdown is working hard to improve our processes and to go the extra mile for our customers. But the problem only really gets fixed if everyone works together to a set of common standards. We've signed up to this initiative because we know that in end, the cost of doing this will be more than off-set by the savings we'll make from faster, simpler administration and because we can't expect others to sign up if we're not prepared to put our money where our mouth is."

Caroline Mansley, MD of Criterion, said STAR was delighted that Tom McPhail had agreed to be chair. "Tom chaired TRIG for two years so knows the issues inside and out. Also, it is important that we have an independent chair who can lead the Steering Group in this important work for the industry."

Mansley said senior members of the STAR team would attend the independent Steering Group and the FCA, IPR and DWP, as well as consumer groups, would be invited to observe its work.

Carol Knight, Director of TeX, said STAR's remit was to define industry-wide SLAs and promote best practice transfers, thereby improving processes and speed of transfers across the industry. "It's about driving forward a set of agreements to optimise the consumer experience."

Knight stressed STAR was not about *how* companies improved their transfer performance. Individual companies were in the driving seat in that respect she said. STAR is about meeting industry targets and evidencing better performance.

"Joining STAR is about your commitment to working together as an industry to improve transfers for the consumer. This is your opportunity to step up to the mark and become part of the conversation."

Mansley said that 14 organisations had committed in principle to supporting STAR prior to the event. "I see this as a snowball which now is rolling and will quickly grow momentum and create impetus across the industry. This is not an issue that is going away. It is one firmly within the immediate focus of government and the Regulator."

Mansley added STAR had estimated there are over 400 processes that would require defining in respect of SLAs and a first task would be to identify where there were overlaps. "We will be identifying the processes that are different and leveraging what is common," she said.

STAR is looking to have 30 founding members signed up by the end of March 2019 with representation across the breadth of the industry.

"All aspects of the industry will be represented and participation will be essential," Mansley said.

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About Criterion:

Criterion was formed for the industry in July 2017, as an independent, not-for-profit industry body providing Standards and Governance services. It was originally part of Origo Services Ltd and has been publishing process and integration standards for almost 25 years.

Criterion have publicly stated that the organisation is working towards full independence, building upon the formation of an independent Board of Directors, and Executive team, discussions ongoing with shareholders, this is estimated to be achieved by 2020. Criterion is uniquely positioned to facilitate and drive cross-industry engagement, helping organisations achieve higher levels of collaboration, reduce costs and achieve better outcomes for their consumers.

Criterion is trusted by around 400 companies to deliver standards underpinning millions of mission-critical transactions every week. This includes:

- Platform providers with combined assets under administration of over £400bn.
- 100% of the FTSE 100 Life Insurance sector,
- 100% of FTSE 250 Life Insurance sector
- more than 95 leading pension brands across providers of SIPPs, Platforms and third-party administration services.

In addition, Criterion Common Declarations have supported more than 2.2 million pension transfers, worth more than £110bn. Criterion has a proven track record and can demonstrate legitimacy and buy-in from across the financial services industry, having delivered leadership to influence continuous improvement across the industry for several decades. Criterion works in collaboration and with the assistance of various industry associations to drive positive behaviour.

TeX:

TeX is a not-for-profit organisation which will work with the industry to ensure that the maximum benefit will be provided to all members. This new company is financially independent from TISA but benefits from being linked to the TISA brand through name, the expertise provided by the two corporate entity directorships and the administrative support provided by TISA. This gives the industry a number of benefits, including:

- The strength of an existing successful industry body

- The recognition of TISA as an independent cross-industry body by the FSA, other regulators and government
- A critical mass of staff and infrastructure
- Assurance to members that there will be no commercial influence over TeX
- Reduced risk of a small group dominating the direction of TeX
- Breadth of internal expertise and experience
- Experience of running a not for profit, low-cost membership body
- Experience of running a cross industry database (the ISA transfers database used extensively by all ISA providers, not just TISA members)
- Lower set up costs