

Submissions to TSC warn of RDR "disaster"

Story by: Cara Waters | Magazine: [FTAdviser](#) | Published Friday , February 11, 2011

Submissions to the Treasury Select Committee (TSC) have warned the Retail Distribution Review (RDR) is a "disaster".

The [TSC](#) has not decided whether to call for a full evidence session on the RDR as it reviews the 203 separate submissions which have been made.

Roger Parkes, adviser with Ovenden Parkes, warned in his submission to the TSC that he would be forced out of work as an adviser because of the qualifications rules and the lack of simple grandfathering of experienced advisers.

He said: "This is regulatory body at a stroke denying me of my hard earned income.

"My clients do not want to be advised by someone who has just passed some exams. They want experience and genuine empathy with their situation."

Ross Perry, independent financial adviser, said as a "one man band" incorporating study time to meet the qualifications requirement set out under the RDR was difficult.

He said: "The material change of the goalposts must have no parallel that I can see in any other industry.

"How can an individual who has been classified as competent, treats his/her customers fairly, is agreed as "fit and proper" to advise be threatened with extinction from 01/01/2013?

"RDR in it's present form is a disaster, and everyone with the exception of the FSA already knows it."

Merlin Financial Consultants' submission to the TSC highlighted the firm's broad support for the RDR but called for several changes including the implementation of grandfathering.

The submission said: "We agree with the Association of Independent Financial Advisers (Aifa) that without a professional grandfathering process considerable numbers of knowledgeable and experienced 'Professional Adviser' will exit the sector.

"This fall in advisors numbers may be sufficient to create a reduction in the overall size of the sector to bring its viability into question."

The full list of submissions to the TSC can be found on parliament's website in [volume one](#) and [volume two](#).

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