

Tuesday 23 September 2008

AEGON calls on the Government to put financial advice on the policy agenda

Thoresen: Recent events mean access to financial advice now urgent as well as important

AEGON UK chief executive, Otto Thoresen, has today called for the government to make wider access to professional financial advice part of its policy response to the current economic crisis. AEGON UK believes this would be a natural complement to the Money Guidance initiative the government has committed to implementing, recommended by Thoresen in his review for the Treasury published in March 2008.

Thoresen was speaking alongside Economic Secretary to the Treasury, Kitty Ussher, at a Fringe breakfast meeting today, hosted by AEGON, at the Labour party conference. Thoresen says the current heightened economic turmoil has increased the urgency for, as well as the importance of, the financial advice agenda. Thoresen believes recent market uncertainty has left people confused and lacking confidence in the financial industry.

Thoresen urged government policymakers to develop the guidance and assistance people need to let them take on their increasing financial responsibilities with confidence. He argued that financial advice and guidance should not be polarised and available only to the wealthy, or the very poor or heavily indebted. Thoresen called on the FSA to make sure its ongoing Retail Distribution Review will broaden access to advice for all and deliver the reforms needed to begin to restore consumer confidence in the financial services industry.

To give added impetus to kick-starting the process Thoresen is calling on the Government, the financial services sector and the FSA to join him in reviewing progress early in the New Year.

Otto Thoresen says:

“Recent market turbulence means the need for clear financial advice has never been more acute. People from all walks of life are looking for advice, help and guidance to calm their fears and address their concerns.

"It's time to put advice on the policy agenda and make wider access to professional financial advice, sitting alongside Money Guidance, a key part of the government's response to the current crisis. This is something that is now urgent, as well as important.

"The FSA can play a vital part by ensuring the retail distribution review encourages new advice solutions to emerge to meet the needs of different people at different times. If we can start the process now and commit to reviewing progress early in 2009, we can begin to equip people to weather future financial storms."

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Notes to editors

- The Thoresen Review of Generic Financial Advice, published in March 2008 set out a blueprint for how a national Money Guidance service could work in practice. The Government has accepted the key findings of the report, and a Pathfinder service piloting the recommended approach, run by the FSA, will begin in 2009 in the North West and North East of England.
- The FSA is currently looking at the way that commercial financial advice operates and is regulated, with its Review of Retail Distribution. The next update from the FSA on the progress with the Review is expected in late November. Further information is at http://www.fsa.gov.uk/pubs/discussion/rdr_interim_report.pdf
- During 2007 and 2008 AEGON conducted a three-phase programme of ground-breaking consumer research. The aim was to develop a customer-centric model for the retail distribution of long-term savings, investment and life assurance products. Full details of the research can be found at <http://www.aegon.co.uk/industry/shaping-our-industry/research/opinion-leader-research/index.html>
- AEGON is one of the world's leading insurance groups with approximately 30 thousand employees world wide and 40 million customers in the Americas, Europe and Asia. AEGON's revenue generating assets totaled EUR 344 billion at June 30, 2008.
- In the UK AEGON offers pensions, life insurance, asset management and financial advice to around 2 million customers. AEGON UK has assets under administration of £51 billion and employs approximately 4,900 staff.