



# Work and Pensions Committee

House of Commons | London | SW1A 0AA

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From the Chair

Charles Counsell, Chief Executive  
The Pensions Regulator  
Napier House, Trafalgar Place  
Brighton, BN1 4DW

30 November 2020

Dear Charles,

I am writing to you following the recent news about the Arcadia Group. During a global pandemic and with many scheme members facing possible job losses, I know that you will agree that the interests of pension scheme members should be front and centre.

Last year you wrote to my predecessor outlining a £385m package agreed between the Pensions Regulator, the Arcadia Group and Lady Green. This included a £100m guarantee from Lady Green, annual payments of £25m from the Arcadia Group and additional asset security.

I would be grateful if you would be able to answer the questions below:

- Your letter of 3 July to the previous Chair of the Committee stated that “the £100m is guaranteed to be paid regardless of what happens to AGL in the future”. Given that it now seems that Arcadia Group Limited is unable to make any further deficit reduction contributions to the scheme, when would you expect this guarantee to be paid?
- Have the deficit reduction contributions of the Arcadia Group schemes been affected by the guidance you introduced for defined benefit schemes funding and investment during the Covid-19 pandemic?
- The agreed package included assets secured for the scheme valuing £210m. I understand that the Pensions Act 2004 will limit your ability to comment on the additional asset security, but are you able to give us any indication of what assurances scheme members will be given on when and if these assets will be transferred to the schemes?
- What lessons will you be applying from the Regulator’s experience with the BHS schemes?

My Committee is currently taking evidence on pension scams. We have heard how scammers exploit member uncertainty to access people’s savings. In a time of near unprecedented uncertainty, how will you be applying the lessons of the Rookes Review to ensure that Arcadia scheme members are not tempted to put their savings in the hands of fraudsters?

Finally, you published your guidance on defined benefit superfunds earlier this year. What reassurances are you able to give to scheme members should the strength of that guidance be tested in the coming weeks?

I look forward to hearing from you.

Yours sincerely,

A handwritten signature in black ink, reading "Stephen Timms". The signature is written in a cursive style with a horizontal line above the name.

**Rt Hon Stephen Timms MP**  
**Chair**