

25 May 2010

PARLIAMENTARY OMBUDSMAN WELCOMES EQUITABLE LIFE BILL

The Parliamentary and Health Service Ombudsman, Ann Abraham, has welcomed the announcement in the Queen's speech of an [Equitable Life Payments Scheme Bill](#) to implement her recommendation to make fair and transparent payments to Equitable Life policyholders, through an independent payment scheme, for their relative loss as a consequence of regulatory failure.

Ms Abraham's report, *Equitable Life: a decade of Regulatory Failure*, published in July 2008, identified 'serial regulatory failure' constituting maladministration and resulting in injustice in the form of relative financial loss for policy holders. The report recommended that the Government should establish and fund a compensation scheme, with a view to paying compensation to remedy any financial losses which would not have been suffered had policyholders invested elsewhere than with Equitable.

Commenting on the new Government's commitment outlined by the Queen, Ms Abraham said:

"This announcement is welcome news for me, but more importantly, for the thousands of individuals and families who are still enduring financial hardship as a result of the regulatory failure identified in my 2008 report. I hope that the new Government will move quickly to establish a compensation scheme that is independent, transparent and simple to administer and that will serve to overturn the injustice that Equitable's policy holders have suffered."

...Ends

Notes for Editors

1. Ann Abraham holds the post of UK Parliamentary Ombudsman and is also Health Service Ombudsman for England. She is appointed by the Crown and is completely independent of Government and the NHS. Her role is to provide a service to the public by undertaking independent investigations into complaints that government departments, a range of other public bodies in the UK, and the NHS in England, have not acted properly or fairly or have provided a poor service. There is no charge for using the Ombudsman's services.
2. The *Equitable Life: a decade of Regulatory Failure* report of the Ombudsman's investigation into the prudential regulation of Equitable Life during the period prior to 1 December 2001 can also be accessed on the Ombudsman's website - www.ombudsman.org.uk.
3. The Treasury's response to the Queen's Speech announcement regarding the Equitable Life Payments Scheme Bill is available here: http://www.hm-treasury.gov.uk/fin_equitable_life.htm
4. For other media enquiries please contact the PHSO Press Office on 0300 061 4996.