

16 December 2008

Brown has betrayed local Equitable Life policyholders

Keighley and Ilkley Conservative Parliamentary Candidate Kris Hopkins has accused Gordon Brown of betraying local Equitable Life policyholders after the Prime Minister went back on his promise to respond before Christmas to the Parliamentary Ombudsman's report on the failed insurance company.

Cllr Hopkins, who in September joined Conservative Leader David Cameron to meet a group of local residents in Keighley and Ilkley affected by the collapse of Equitable Life, said he believed it was "scandalous" that Gordon Brown had gone back on his personal commitment to tell Parliament what he intended to do and instead opted to allow policyholders, "to continue to suffer as a result of his failings as Chancellor."

Published in July, Parliamentary Ombudsman Ann Abraham's report found that regulators at the former Department of Trade and Industry and the Financial Services Authority failed in their duty to verify the financial position of Equitable Life over a 10-year period.

Previously seen as one of the safest companies with which to save and invest, Equitable Life's crash in 2001 all but wiped out the savings and pensions of more than one million policyholders including a significant number in Keighley and Ilkley.

Ms Abraham, in her report, ruled that the Labour Government was guilty of maladministration on 10 counts and cited five examples of injustice to policyholders.

Following months of delay, Gordon Brown told MPs on 3 December that a Ministerial statement would be made to Parliament before the Christmas recess.

However, last week, Leader of the House Harriet Harman announced a further delay – and gave no reasons for the postponement.

“Yet again we see that Gordon Brown’s word is worth nothing – even when given to Parliament,” said Cllr Hopkins.

“The Ombudman’s report recommends that the Labour Government admits responsibility for its failure to properly regulate Equitable Life and creates a payment scheme to help those affected by the collapse.

“Earlier this week, the House of Commons Public Administration Select Committee – which includes a majority of Labour MPs – strongly backed the Ombudsman’s stance.

“And David Cameron, when he visited Keighley and Ilkley, gave a commitment that a Conservative Government would take action if Gordon Brown failed to do so.

“But local Equitable Life policyholders want action now.

“By once again refusing to accept his responsibilities, Gordon Brown is betraying them all.

“His behaviour is nothing short of scandalous.

“He is allowing policyholders to continue to suffer as a result of his failings as Chancellor.”

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