



KEVIN HOLLINRAKE MP  
HOUSE OF COMMONS  
LONDON SW1A 0AA

Lord Callanan  
Parliamentary Under Secretary of State, BEIS

By email

26<sup>th</sup> Oct 2021

Dear Martin

As you know, in June this year KPMG was fined £13m and ordered to pay more than £2.75m in costs by an independent tribunal over serious misconduct in its role in the sale of bed manufacturer Silentnight to private equity fund HIG in 2011 and the help it had provided to drive UK-listed Silentnight into an insolvency process so HIG could acquire the company without the burden of its £100m pension scheme. The case was featured in the APPG on Fair Business Banking's recent report that calls for reform of the insolvency profession <https://www.appgbanking.org.uk/wp-content/uploads/2021/10/Resolving-Insolvency-141021-1.pdf>

As a direct result, the scheme's 1,200 members face reductions to their pension income because they will be transferred to the Pension Protection Fund (PPF). The PPF has stated that the fines, which are due to be paid to the ICAEW, should be used to reduce the resultant shortfall in the Silentnight retirement scheme.

Not only do we seek your support for the wider reforms proposed within our report, the APPG also urges you to do all within your power to press the ICAEW to pass on the fines levied upon KPMG to the Silentnight Pension Scheme and to require KPMG to make up any remaining shortfall to return pension scheme members to the position they were prior to this misconduct taking place.

I look forward to hearing from you.

Kind regards

Kevin Hollinrake MP  
Member of Parliament for Thirsk & Malton Constituency  
Co-Chair, APPG on Fair Business Banking

cc Paul Scully, ICAEW, Guy Opperman

