

KEVIN HOLLINRAKE MP



HOUSE OF COMMONS

LONDON SW1A 0AA

Michael Izza  
Chartered Accountants' Hall  
Moorgate Place  
London, EC2R 6EA

2 December 2021

Dear Michael,

As you know, in June of this year, KPMG was found guilty, by an independent tribunal, of serious misconducts in its role in the sale of Silentnight to private equity fund HIG in 2001 in which Silentnight helped drive the bed manufacturer into insolvency so HIB was able to acquire the company without the burden of its £100m pension scheme. This case was featured in 'Resolving Insolvency: Restoring confidence in the system', a report by the All-Party Parliamentary Group on Fair Business Banking, which I Co-Chair, that looks at various areas of concern within the insolvency profession.

As a direct result of KPMG's actions, Silentnight's 1200 pension scheme members face vast reductions to their pension income because they will be transferred to the Pension Protection Fund (PPF). These individuals are hardworking individuals that have had their pensions and futures stripped away due to the actions of KPMG. As a result, KPMG must pay £13m in fines and over £2.75m in costs to the ICAEW.

Therefore, we are seeking your urgent support to pass on the fines levied upon KPMG to the Silentnight Pension Scheme and to require KPMG to make up any remaining shortfall to rightly return pension scheme members to the position they were prior to this misconduct taking place.

I look forward to hearing from you.

Yours sincerely,

*Kevin Hollinrake*