

# Press Release

personal accounts  
delivery authority

helping millions save  
for their retirement

27 May 2009

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## THE PERSONAL ACCOUNTS DELIVERY AUTHORITY PUBLISHES ITS SUMMARY OF RESPONSES TO THE CONSULTATION ON SECURING A RETIREMENT INCOME

Today, the Personal Accounts Delivery Authority (PADA) published a summary of the responses to its consultation: *Building personal accounts: Securing a retirement income*.

PADA received 45 written responses to the consultation as well as collecting views from two public events and a series of smaller meetings. Respondents included industry bodies, pension scheme providers, consumer groups, financial advisers and consultants.

The responses broadly addressed the questions raised in the consultation paper. Some of the key points to emerge are:

- acknowledgement that a lifetime annuity (or, where relevant, trivial commutation) is likely to be the most appropriate option for personal accounts members
- the need to use accessible language and simple communications
- the need to use other channels alongside 'e' communications such as a helpline for members, at least for part of the retirement process
- general acknowledgement that a panel of providers approach could be the most appropriate route for members not wishing to exercise the open market option
- recognition that fund sizes are likely to be very small in the early years and this could present a number of challenges to the scheme and the wider retirement income market.

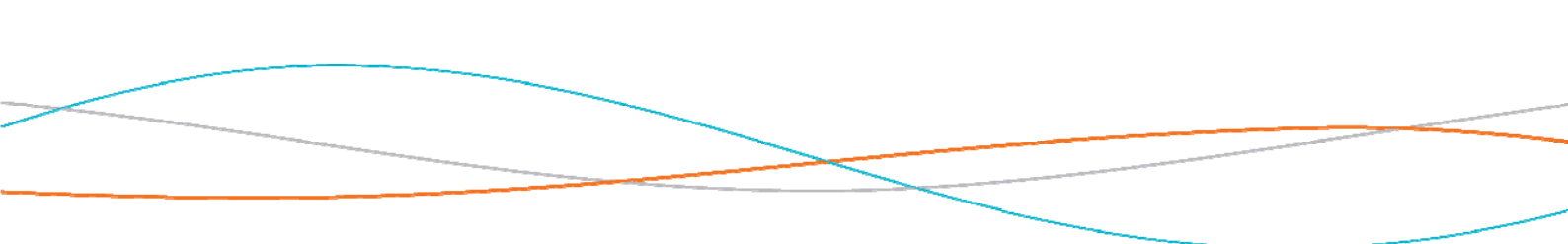
The feedback received will be used to inform PADA's continuing work to deliver the personal accounts scheme.

Some respondents commented on other matters that were not addressed in the consultation paper such as benefits in respect of members in ill-health or serious ill-health. The benefits that will be provided in these scenarios are catered for in the draft Scheme Order and Rules, published for consultation on 28 April.

### Chief Executive, Tim Jones, said:

"The personal accounts scheme will improve the retirement of millions of people - people who would otherwise lack the income to live the retirement they want and deserve."

"Getting the right outcome at retirement will be critical for our members so they can make the most of the pension they build up during their working lives."



“I would like to express my personal gratitude for the level and quality of responses which were submitted to PADA.”

**Investment Director, Mark Fawcett, said:**

“This publication summarises the key findings and includes some of our initial analysis of the views we received.”

“Only by considering all of the different perspectives submitted by our various stakeholders, will we succeed in achieving the right results for our members and designing a robust scheme.”

**-ends-**

**Notes to editors**

1. The Personal Accounts Delivery Authority (PADA) is a non-departmental public body specifically established by legislation to introduce the personal accounts scheme.
2. The personal accounts scheme will be a trust-based occupational pension scheme, run by a trustee corporation. It is intended to complement existing workplace pension provision.
3. PADA is a transitory body as the personal accounts scheme will be managed by a trustee corporation.
4. The full summary of responses will be available to download from PADA's website on 27 May 2009: [www.padeliveryauthority.org.uk](http://www.padeliveryauthority.org.uk)

**MEDIA ENQUIRIES**

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