

# Investment

## Consultation overview



### Background

In May 2009 PADA published an **Investment discussion paper (PDF, 2MB)** to support the public consultation process on designing an investment approach for NEST.

The formal consultation period ran for 13 weeks from 7 May to 7 August 2009 and the support from stakeholders marked an unprecedented level of engagement and debate. PADA received 67 responses\* to the discussion paper and more than 100 stakeholder representatives attended one of the series of 10 roundtable discussions\* it held throughout the consultation period.

PADA gathered the opinions of a broad range of stakeholders, both national and international, throughout the consultation. This included pension experts, financial intermediaries, representatives from investment organisations, academics, unions and employer organisations, consumer groups and existing trustees.

The **Key findings from the consultation on designing an investment approach (PDF, 2MB)** were published on 25 November 2009. A number of areas where PADA sought stakeholders' views revealed an emerging consensus on certain issues.

PADA was extremely grateful to all who either submitted a formal response, took time out to attend one of our roundtable discussions, or fed into our consultation through other channels.

Stakeholders' responses to the consultation mark a significant contribution to the continued work on designing an investment approach that best suits the scheme's members.

### Timeline of the investment consultation

- In autumn 2008, PADA commissioned research to explore the existing evidence on individuals' investment behaviour. This examined their attitudes to taking risks when making choices about investing their pension fund. Read the report **Individual investment behaviour: a brief review of research (PDF, 147KB)**.
- In January 2009, PADA held a one-day seminar\* for stakeholders on the issues of responsible investment and socially responsible investment. This marked the beginning of our investment consultation process.
- PADA's research, plus the feedback from the responsible investment seminar, were fed into the investment discussion paper.
- From June to September 2009, PADA held roundtable discussions with a variety of stakeholders. This included consumer groups, trade bodies and representatives from the investment industry in order to gather a broad range of opinions.
- In November 2009, PADA published the Key findings of its consultation on designing an investment approach.
- To assist in the drafting of the Investment discussion paper, PADA drew on work commissioned by the DWP that looked at how institutional fund managers viewed responsible investment. Read the final report **Responsible Investment in Fund Management: It Works, But When? (PDF, 308KB)**.
- There is continued engagement with stakeholders on designing the investment approach for NEST.

\* If you want to know more about this, please email: [enquiries@nestpensions.org.uk](mailto:enquiries@nestpensions.org.uk)

The Personal Accounts Delivery Authority (PADA) was established by the Pensions Act 2007 and was NEST's predecessor. In January 2010 PADA announced NEST as the permanent name for the personal accounts scheme.