

Media Release

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For immediate release

Xafinity responds to DWP consultation on financial assistance scheme changes

Xafinity Paymaster has made a strong response to the recently published Financial Assistance Scheme (FAS) consultation document, following the Pension Protection Fund (PPF) taking over the FAS.

Whilst warmly welcoming the proposals of the Young Report (the FAS consultation document published recently) Xafinity Paymaster's response, available on their website, highlights two key messages:

1. Processes need to be kept simple to reduce cost
2. The need to harmonise the PPF and FAS compensation rules in order that assistance can be provided equitably to the different members

Xafinity Paymaster recommends that the decision to restrict the amount of Pension Commencement Lump Sum (PCLS) available to members of very poorly funded schemes should be reviewed, if the FAS as a whole gains sufficient assets at outset to support standard PCLS to all members.

Xafinity Paymaster Director, Robert Branagh, commented:

"We are delighted that progress is now being made with the proposals of the Young Report and that many of the scheme members that we deal with will directly benefit.

"The Board of the PPF is a good choice to run the FAS, given the knowledge and experience gained in setting up and running the PPF. However, the regulations could give the Board more flexibility to establish the transfer requirements. The majority of the FAS schemes went into wind up some years ago and many are at an advance stage of winding up. Most of these schemes will already have good evidence to support FAS qualification at a scheme level and it would be disappointing if the regulations required these schemes to establish asset-shares on an individual basis, when it is not really necessary."

ENDS

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Notes to Editors

- [Download](#) a copy of Xafinity Paymaster's consultation response now.
- You can follow Xafinity on Twitter. www.twitter.com

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