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Trustees must start thinking further ahead to navigate administration market crunch and protect member outcomes, says ZEDRA

[London] ZEDRA – the award-winning provider of pension and incentive services – today urged trustees to start planning much further ahead to ensure their administration requirements are met and member outcomes do not suffer.

Commenting, Alison Bostock, Director at ZEDRA said: “As we all know, there is a capacity crunch within pension administration at the moment, which is threatening to become a crisis. Providers simply do not have the resource and capacity to do the work that the market needs doing. The issue is across the board and certainly not within a certain type or size of provider, and this is not really something we have seen before as trustees – when something needed doing we could, in the main, just get it done. This is no longer the case and now we could be looking at a typical wait time of 12-18 months for big administration-led projects. We could speculate endlessly as to why this has happened, and certain measures are now being taken by providers – be that big recruitment drives or offshoring work – but this will take time to work through.

“Trustees are working on lots of admin projects at the moment – be that detailed data cleansing, buyout preparations, GMP equalisation, dashboard readiness... the list is endless. Boards must, therefore, think much further ahead about what needs doing and when. Get in the queue and then get ready. Make sure you know what you might be required to deliver in order for the project to start, and make sure you are ready to proceed when the administrator is ready. This will also help when slots come up early – you will be able to grab them.”

Alison concluded: “Administration has always been the crux of all schemes, albeit overlooked – get it right and things are good, get it wrong and watch the issues unfurl. It also has a huge impact on member

outcomes and, importantly, member positivity and attitudes. As trustees we bear the weight of this responsibility, so planning and expanding that function is vital.”

ENDS

Notes to Editors

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About ZEDRA

ZEDRA is an award-winning provider of pension and incentive services. In addition, ZEDRA offers Corporate & Global Expansion, Active Wealth, and Fund Solutions across the globe.

The ZEDRA Pensions team provides professional trusteeship and governance support to more than 300 pension schemes – including DB, DC, and hybrid schemes, and contract-based arrangements – working with sponsoring employers in the UK and abroad from a wide range of industry sectors.

The firm prides itself on getting to know its clients so that it can anticipate their continually evolving needs and allow them to focus on their core business and broader interests. ZEDRA's global footprint enables it to deliver bespoke solutions that meet the local and international requirements of the increasingly demanding regulatory environment.

ZEDRA inherited a wealth of knowledge and experience following its acquisition of the trust businesses of a renowned bank in 2016. This solid foundation combined with innovative thinking has allowed ZEDRA to grow rapidly in a competitive marketplace to a team of over 900 industry experts across 16 countries spanning Asia, Oceania, the Americas, and Europe.

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