

Trustees must challenge administrators on technology debt says Trafalgar House

Press release: 6 August 2024

Trafalgar House, a specialist third-party pensions administrator, today urged Trustees to challenge administrators on their strategy for combating the burgeoning threat of technology debt or run the risk of compromising the future security of members.

Garry Wake, Managing Director, at Trafalgar House Pensions Administration said: “Technology debt, often referred to as technical debt, is a concept well-known in the tech industry. It arises when businesses opt for quick fixes or outdated solutions, postponing the essential upgrades and investments needed for long-term stability and innovation. Over time, this debt accumulates, creating a substantial burden that must eventually be addressed to maintain operational efficiency and security. For businesses in the pensions administration sector, the repercussions of ignoring technology debt can be particularly severe. Legacy systems, while still functional, often lack the advanced security features and integration capabilities necessary to support modern operational demands. Additionally, these outdated systems can hinder the implementation of new functionalities, delay service delivery, and increase vulnerability to cyber threats – all of which have a huge and direct ultimate impact on the member.”

“In the fast-evolving landscape of pensions administration, maintaining a robust and secure technological infrastructure is paramount. However, like many things admin related, while the immediate benefits may not be evident, the long-term gains are substantial.”

Wake added: “Managing technology debt is not merely an operational necessity but a strategic imperative. For businesses in the pensions administration sector, investing in technology upgrades and system migrations, even when they appear costly and yield no immediate visible benefits, is crucial for sustaining long-term growth and security.

“Instances like CrowdStrike last month clearly demonstrate the massive fallout that can occur when IT fails. In the pensions industry, we cannot take any chances with data and security; members life savings are on the line. Trustees must challenge their providers to ensure they have a robust technology strategy in place. A fortified administration infrastructure that will adequately withstand potential vulnerabilities not only reduces risk but also enables a quick response to regulatory change and makes it possible to leverage new technology as soon as it becomes available making innovation achievable, not aspirational.”

ENDS

Notes to editors:

Trafalgar House is a specialist pensions administrator.

Founded in 2006, our mission is to set the highest standard of pensions administration by any recognised measure. We achieve this through sustained investment in our people, processes and systems.

We started life as an in-house administrator. Our foundations are in quality and member experience. Since our creation, we have grown as a third-party administrator. Adopting technology and innovation from across the market, we have emerged as a business of administration experts.

We have offices in London and Farnborough, over 30 clients and 170 staff. We hold internationally recognised accreditations for quality, security, development, customer service and environmental protection.

Media Contacts

For all media enquiries please contact KBPR using the details below:



keeping you connected

Kate Boyle

kate@kbpr.agency | 07930 442883