

Trustee and Governance Consultation Response

About the PPF

The Pension Protection Fund (PPF) was established to pay compensation to members of eligible defined benefit pension schemes, when there is a qualifying insolvency event in relation to the employer and where there are insufficient assets in the pension scheme to cover PPF levels of compensation. Since inception, we have consolidated over 1,000 DB schemes into the Fund, and now have around 300,000 members, to whom we paid £1.2 billion in 2024/25. We protect a further 8.6 million members of DB schemes. The PPF is a statutory fund run by the Board of the PPF, a statutory corporation established under the provisions of the Pensions Act 2004. The PPF became operational on 6 April 2005.

In 2009 the Board of the PPF was also given the responsibility of being the scheme manager for the tax-payer funded Financial Assistance Scheme (FAS). FAS provides assistance to around 142,000 members of around 1,000 eligible underfunded defined benefit schemes that started to wind-up between 1 January 1997 and 5 April 2005, or between 6 April 2005 and 27 March 2014 where an employer insolvency event occurred before 6 April 2005.

The Board of the PPF has also held, managed and applied the – wholly separate – Fraud Compensation Fund (FCF) since 2005. The FCF was set up as a result of the Pensions Act 2004 and provides compensation when a scheme (and as a result an individual member) has lost out financially due to dishonesty.

Introduction and Executive Summary

1. The PPF is pleased to respond to the consultation on *Trust-based pension schemes: Trustees and governance, building a stronger future*. As both a provider of pension compensation and a user of pension services, we are pleased to offer our insights to support DWP in this important policy area.
2. Over the past twenty years we have transferred over 1,000 schemes into the PPF after an assessment period following employer insolvency. Overall the standard of trusteeship in the schemes we see is high and the general quality of scheme governance has improved over the years since we were established. We consider the UK's trust-based approach to be unique and special, clearly putting the emphasis on ensuring the best outcomes for members.
3. However, as the consultation identifies, trustees are facing growing challenges in an increasingly complex world covering not just pensions, but developments in financial services, ESG, technology etc. The decisions they make are fundamental to the financial future of their members. It is also true that the complexity and impact of these decisions will increase with the growth in the scale of individual schemes. We have also seen inconsistency in the standards of governance, with some schemes that come to us

having significant, unaddressed issues, for example with data quality. This inconsistency is most clearly exposed at points of stress, with the September 2022 stress in the gilts market demonstrating that some schemes were much better positioned than others to cope.

4. We therefore think it is important to consider where and how the system can be improved and suggest there are areas where looking to the approach taken in financial services could be valuable. For example:
 - Driving standards by ensuring the collective experience of each trustee board allows it to successfully meet the challenges it faces. This could fit with a version of the FCA's Senior Managers and Certification Regime with individual board members having specific responsibilities they are accountable for (and therefore required to have the skills and experience to discharge those accountabilities). This could be particularly critical for the largest schemes and master trusts which have the potential to become systemically important financial institutions.
 - Considering how best to support diversity across trustee boards and ensure a strong member focus. A focus on the collective capability of the Board (rather than requiring all individuals to have the full range of skills and knowledge) should support this. This will avoid unsustainable burdens being placed on individuals that might create barriers to, for example, member-nominated trustees who provide a valuable and important voice in scheme decision making. However, there are a range of other ways schemes can ensure input from members, for example through member panels or forums.
 - Ensuring that when conflicts of interest arise, they are declared and managed well so that decisions are made and perceived to be made in the best interests of members.
 - Given the inconsistency in governance we have seen there may also be a role for clear, enforceable minimum standards in some particularly important areas, for example contingency and crisis planning, conflicts of interest and potentially data standards.
5. We have also considered the consultation questions around whether there could be merit in a public trustee. Based on our experience of administering the Fraud Compensation Fund (FCF) we strongly support further consideration being given to this proposal. Schemes that have lost funds due to dishonesty (particularly where the original trustees were complicit in the fraud) desperately require strong, high-quality trusteeship to work through the issues facing the schemes and do whatever possible to reach the best outcome for scheme members. However, these schemes – because they lack funds – are often not a viable commercial prospect for professional trustee firms (or at the very least the work comes at high risk). In these cases, being able to turn to a public trustee may be a valuable option. It is possible to see other instances where commercial viability is low but there is critically important work to be done, for example small schemes facing challenges to reach a secure end game solution. We recognise, however, that the public trustee would not be a magic bullet and there are a number of complex considerations to be worked through.

PPF's response to selected questions

What do you think works well in the current trusteeship and governance system?

6. The Trust approach to company pensions clearly puts the emphasis on ensuring the best outcomes for members and also ensures independence from the employer. It offers wider benefits including ensuring that pension assets are legally separated ("ring-fenced") from the employer to protect members' money. Legislation also sets out duties on governing bodies to communicate with their members, including the information they need to provide and timescales for doing so.¹
7. The existing requirement for a third of trustees on a Board to be Member-Nominated Trustees (MNTs) supports diversity of voice and thinking.
8. We have seen trustees' governance of DB pension schemes improve over time. We have seen the benefits of both professional and lay trustees when they perform their functions well. We have seen that professional trustees can raise standards and reduce the costs of running the scheme by retendering for different providers. We have also seen how lay trustees challenge assumptions, and the risk of a default 'we have always done it this way' approach, which can lead to new and different solutions to the benefit of members.

What are the barriers to good trusteeship?

9. From our experience we have identified the following barriers to good trusteeship:
 - The growth in complexity and challenges facing pension schemes and trustees. This means that ensuring adequate skills and experience across the trustee board requires careful consideration. We have seen examples of bad practice when taking schemes with an insolvent employer into an assessment process, and when administering the FCF cases.
 - The challenges in responding to fast moving events and having effective contingency plans in place for crisis scenarios. As we set out in our response to the Work and Pensions Select Committee hearing on the LDI as a result of the scale and speed of the rise in gilt yields in September 2022, we found that speed and scale of market movements left some schemes unable to respond effectively at pace. For instance, typically trustee meetings take place on a quarterly basis, meaning they could not take decisions at the pace required.²

¹ [TPR, General Code of practice, communications and disclosure](#)

² [PPF, Written evidence from the Pension Protection Fund LDI0031, Defined benefit pensions with Liability Driven Investments, Work and Pensions Committee, November 2022](#)

- The risk of unmanaged conflicts of interest on trustee boards. Conflicts will arise but they need to be actively managed to stop poor decisions that affect member outcomes.
- The potential for a growing distance between employers and scheme members when DB schemes are closed (i.e. because no current employees are members of the scheme). There is a risk this pushes the employer focus onto cost management rather than value (perhaps meaning tasks like data management exercises don't get done).

Can you describe any potential or actual conflicts of interest that stem from the provision of further services within professional trustee firms and other third-party providers? How are these conflicts managed now? What is the scale of the residual risk in the market?

10. The use of professional trustees has become increasingly prevalent in recent years. One of the advantages of professional trustee firms is that they can have access to a range of in-house services or can assist with the appointment of advisers using their own contacts/panels. Due to consolidation in the market, some trustee firms now advise a significant proportion of the market. Therefore, advisers may be more reliant on fewer trustee firms for business and there is a risk that advisers may need to balance their advice against prospects of future business if the advice could be different from the trustee's position or view. This needs to be managed effectively to ensure the advisers have the freedom and perceived freedom to provide their independent advice to the board.
11. However, effective management of real or perceived conflicts of interest is fundamental to the good governance of a pension scheme. Examples of common 'conflicts' include:
 - Trustees who are also senior employees or officers of the business may have an incentive to advocate for what is best for the business.
 - Lay trustees are traditionally members of the schemes, so might have a conflict of interest if options under consideration would mean they would be worse off.
 - If a business pays scheme expenses directly or indirectly (via its contributions schedule to the scheme) this could influence the focus of advice or what advice is sought.
12. These conflicts cannot be avoided. As in financial services, the key is to ensure they are recognised and managed well under a clear conflict management policy, a register of conflicts, and appropriate controls. This same approach can help tackle the potential challenges identified by the growth in professional trustee firms and others offering a wider range of services. Getting this right is critical; the Carillion case highlights the problems that can occur. The House of Commons Committee report into the collapse of Carillion highlighted that there were concerns about Carillion employees having an inherent conflict of interest as part of the Trustee Board. There was also a concern raised that Carillion's budgetary control over the Trustee "may have limited the ability of the

Trustee to itself obtain detailed advice on more complex issues”, and pressure exerted on the scheme actuary by Carillion at trustee meetings.³

Service providers

13. Consideration could also be given to conflicts that arise from the longevity of advisers' appointments. There are clearly benefits to be had from long-standing, effective partnerships but there is a potential risk that this can impact the ability of schemes to identify and fix issues (we understand there are instances where some important governance issues have only been identified following a change of adviser). For example, professional negligence claims are typically capped at 6 to 15 years. Where the same adviser or service provider has been in place for that length of time, issues may remain latent as they are either not spotted or the adviser has no incentive to self-report / investigate. From a professional negligence / litigation point of view, advisers are not required to highlight their own negligence to trustees. Long-standing advisers therefore have little incentive to go looking for latent issues.⁴ If the trustee does not have the necessary expertise, they may not spot the issue and raise it with their advisers. Time may then run out to make a claim to investigate and compensate the scheme.

Are additional safeguards needed to effectively manage these risks, given the need to balance members' interests with effective scheme management?

14. As set out above, we believe that there should be clear, enforceable standards around how schemes and trustees declare and manage conflicts of interest. Some approaches that the government might wish to explore include the rules that the FCA sets to reduce and manage conflicts of interest for individuals at investment management firms, including information barriers and annual attestation.

Are there situations where a PCST model is more or less appropriate and why? Should there be any restrictions or suitability guidelines on PCST appointments?

15. For schemes in assessment, we normally use the Sole Trustee model. As our schemes in assessment are on a clearly defined path set by legislation, the focus is on ensuring that the process is completed as quickly and efficiently as possible. We found the Sole Trustee Model supports this focus, enabling quicker decision making and increasing efficiency.

16. However, the choices and complexities facing ongoing schemes can be greater and require the deployment of a wide range of expertise. As we set out above, we think the right way to achieve this is to ensure a trustee board – as a whole – has the full range of skills and experience it needs. The board also needs to ensure it brings diversity of thought to its decision making. Sole trustees should therefore be able to demonstrate that they can meet these same expectations (for example by drawing on wider expertise from their firm and incorporating that into their decision making). Members of schemes

³[House of Commons Business, Energy and Industrial Strategy, and Work and Pensions Committees, Carillion, HC 769, 16 May 2018](#)

⁴ There is some nuance to this in certain cases which will need to be considered too: for example, strictly, if a lawyer who finds a problem with the deed they drafted they have a professional obligation to tell their client that they are conflicted.

managed by a sole trustee should receive the same standards as those in other schemes.

If the Government introduced an enhanced code of practice for sole trustees what specifically would you like to see included? Do you think existing codes of practice ([Code of practice](#)) already cover some or all of this?

17. As mentioned above, we recognise that the demands on trustee boards are increasing as are the skills required. Therefore, we believe it will be important to ensure that the sole trustee can access and use the whole range of skills required.
18. We also believe that diversity of thought and challenge is essential to improve the quality of trustee decision making. Ideally, the Code would also set out principles to ensure sole trustees can access diversity of thought and challenge when required.

What role can government and regulators play in helping schemes to attract a diverse and talented pool of individuals to trusteeship?

19. We believe diversity can help us improve risk management, drive innovation and deliver excellence in customer service. We believe that diverse trustee boards can have a similar impact on pension schemes. Bringing diversity of thought and different perspectives to a trustee board will lead to better decisions than might otherwise be the case.
20. As closed DB schemes mature, it may be more difficult to recruit lay trustees to pension schemes, potentially reducing diversity of boards. We can see the merits in the government and regulator playing a role in attracting and supporting new trustees to pension schemes.
21. The traditional view of diversity focuses on the characteristics of the trustees. It is also important to focus on the outcome diversity is seeking to achieve – namely good decisions and outcomes. We suggest that the government and regulators can help attract diverse and talented potential trustees by:
 - Developing and highlighting case studies on the benefits of diversity, for example where the diversity of trustee boards has resulted in better decisions and outcome for members and other stakeholders.
 - Providing case examples of how accommodations/reasonable adjustments can work for Trustees to highlight how small changes can help recruit a wider range of trustees.
 - Supporting conversations across the industry to share best practice and encourage change.
 - Applying learning or approaches from different areas of government, for example the Department of Education’s approach to school governors or the Charity Commission in relation to charity trustees.
 - Have trustee firms demonstrate their approach to diversity and inclusion. This could be via questions about an organisation’s environment, social and economic activities

to evaluate their social values when appointing firms. At the PPF, as part of our Procurement strategy, we ask potential panellists what strategies they use to demonstrate how they reduce the disability employment gap and tackle workforce inequalities. This approach might best be applied for professional or Corporate Trustee roles.

22. The government can continue to provide an evidence-based foundation to ensure there is a clear understanding of the problem and progress. Depending on the government's ambition in this area there could be merit in exploring the benefits of a more directive approach including setting standards for diversity of Trustee Pension Boards for Master Trusts, and large schemes (for example those with more than £1 billion in assets). The Women in Finance Charter is a good example of how it could work.

Would it be appropriate to introduce a new public trustee who could be appointed by the Pensions Regulator? If so, in what circumstances would a public trustee appointment be preferable to a professional trustee from TPR's independent trustee register? And why?

23. Drawing on our experience of administering the Fraud Compensation Fund (FCF) we can see a potential role for a public trustee. Since the High Court Case in 2020, most of the FCF cases have related to Pension Liberation fraud, where the schemes themselves were vehicles of fraud.
24. Schemes that have lost funds due to dishonesty (particularly where the original trustees were complicit in the fraud) desperately require strong, high-quality trusteeship to work through the issues facing the scheme and do whatever possible to reach the best outcome for scheme members. However, these schemes – because they lack funds – are often not a viable commercial prospect for professional trustee firms (or at the very least, the work comes at high risk e.g. because of the risks of either the scheme not being accepted for FCF compensation or being unable to wind up the scheme due to the number of missing members). In these cases, being able to turn to a public trustee may be a valuable option.
25. While most FCF cases are historical and we expect most of the claims to be processed in the next few years, meaning the scale of need for a public trustee will decline in relation to pension liberation cases, we can nevertheless see the merits for any future possible FCF cases.
26. Small, self-administered schemes (SSAS) do not have access to FCF or any other route for compensation. However, they can still be subject to losses due to dishonesty and in such cases there may also be a role for a public trustee in order to help improve outcomes.
27. In our PPF insolvency and assessment work, we have also seen situations where having a public trustee would be useful:

- We have seen cases where DB schemes have been left with very few trustees (for example a business runs into difficulties, so the independent trustee is not paid, the employer trustees resign, and only the single lay trustee remains). Giving that trustee the ability to seek further help and support would be invaluable and likely lead to better outcomes for the members, especially before the start of an assessment process.
 - When a scheme has few assets and there is limited incentive for professional trustees to take on cases.
28. A variety of approaches could be taken to set up a public trustee, for example making the public trustee a formal role with clear powers and responsibilities using the role of the Official Receiver as an example; using a register; or having a panel approach similar to that used by the PPF. To ensure the role would be effective, the public trustee would need effective access to wider pension expertise, including actuarial, legal, investment, and scheme administration. Here again a panel approach might be helpful, as a resource to be drawn on when required. We know from our own experience that such an approach can help significantly to manage costs and ensure good quality outcomes. If the government wishes to explore this further, we would be happy to share our experience further and explore how our panel approach could help.

Are there any reasons why TPR's powers of intervention regarding trustees should be modified and if so in what way should they be modified?

More individual responsibility

29. At present the focus is on the collective decisions of the Trustee Board. There is limited regulatory action that can be taken if individual trustees do not meet the required standards, for example, around conflicts of interest, lack of reasonable care and skill and non-financial misconduct. In addition, TPR has no power to bring fiduciary duty claims and therefore is unable to act where trustees' actions / omissions may result in harm. Part of the solution may be to draw examples from the wider financial services industry to raise standards, by enabling TPR to set, and enforce where required, individual standards, taking into account that it should also be proportionate to the size of scheme and the potential harm to members and other stakeholders. Useful analogies may be drawn from, for example the FCA's Senior Managers and Certification Regime and the code of conduct (which applies to all staff, not just Senior Managers).
30. Australia has extended a SM&CR-equivalent accountability to pension trustees (Financial Accountability Regime ("FAR")), commenced 15 March 2025). The FAR reforms largely reflect the UK's PRA-FCA dual-supervision regime. However, it also extended FAR to superannuation funds (broadly equivalent to the UK's Master Trusts).⁵ The DWP may wish to investigate whether there is any evidence that introducing a "Senior Trustee Function" regime under FAR has led to improved individual accountability and scheme governance.

⁵ [Financial Stability Institute, When the music stops-holding bank executives for misconduct, February 2023](#)

31. The Australian Securities and Investment Commission has standing to bring fiduciary duty claims, and something similar could perhaps be extended to TPR. This may also make it easier for TPR to enforce a code of conduct, remove trustees if required, provide better early-intervention powers and give trustees more clarity on their obligations.

Small schemes

32. Introducing a more structured framework including templates and checklists for small schemes might promote better governance, for example in managing conflicts of interest. It would assist trustees in understanding and fulfilling their legal duties and TPR's expectations. Deploying such resources may be useful, but should be done alongside encouraging broader cultural changes to ensure these are enabling tools for trustees, rather than being used as 'checkbox' items.
33. Consideration would need to be given as to whether there should be a size threshold, so, for example, whether SSAS or schemes with <100 members (aligned with the ESOG requirements) should be excluded from some or all requirements. Drawing on our FCF experience, we would urge caution here, to avoid 'gaming' of the system and potential dishonesty cases. It may be more appropriate to require all schemes to sign up to minimum standards of trustee behaviour.

What skills will trustees of trust-based pension schemes need in order to be an effective and efficient trustee board? For example, areas such as leadership experience, negotiation skills, investment management, (including sustainability-related investment management), communications, financial planning? What other areas should trustees have proficiency in?

34. We believe for a trustee board to work effectively, the board as a whole needs expertise across the full breadth of areas. Therefore it is critical to focus on ensuring sufficient collective experience of the trustee board to ensure it can meet the challenges it faces (rather than requiring all individuals to have the full range of skills and knowledge the scheme requires). We recognise the skills that a board might need could depend on the particular stage the scheme is at, and its medium and long-term plans.
35. We suggest that some of the principles that UK listed companies are required to follow might be worth exploring. For example, boards are required to assess whether the right skill-sets and breadth of perspectives are present.⁶ And the Board are expected to undertake a regular assessment of skills and consider how to use appointments to address gaps. TPR's trustee knowledge and understanding framework goes some way to addressing this but it could be reviewed for updates based on recent experience.
36. As noted above, this could fit with a version of the FCA's Senior Managers and Certification Regime with individual board members having specific responsibilities they are accountable for (and therefore required to have the skills and experience to discharge those accountabilities).

⁶ [FRC, Corporate Governance Code Guidance, 2024](#)

What support/continuing professional development (CPD) would you like to see put in place for lay trustees? Should all trustees be accredited? Would it lead to a trustee shortage? Who would pay for it including time as well as any L&D costs?

37. As we mentioned earlier in our response, we believe it is important to ensure that the Board as a whole has the skills and expertise required (and access to the specialist knowledge required) rather than the focus being on a standard set of requirements for every individual trustee.
38. However, we do consider a certain minimum level of understanding and technical knowledge relevant to the type of scheme is necessary to support any trustee being an effective participant in Trustee Board discussions. Therefore we believe that lay trustees should be adequately supported. There could be an advantage in requiring all trustees to have completed a minimum level of training (for example the trustee toolkit). This would need to be carefully considered to avoid it being perceived as a barrier for entry for lay trustees who can provide important diversity of thought.
39. We also believe that all trustees should be held to the same minimum standard of care, as they act in members' best interests, with modules in the trustee toolkit that support this outcome. However we believe a one size fits all requirement for accreditation may not be necessary and could make it harder to recruit lay and member-nominated trustees.
40. It would also be useful for trustees to have adequate support in the softer skills to work effectively with the rest of the board including team working, conflict resolution, listening and communication skills.

How can we ensure trustee boards take into account the perspectives of members in their decision making?

41. The simplest way to ensure that trustee boards take into account the perspectives of members is to have a member-nominated trustee. However, member-nominated trustees will have a particular perspective that may not be that of all the different member groups. We think it is important therefore that boards show consideration of how to get a wider member 'voice' to inform their decisions. The PPF, for example, runs a member panel which is attended by at least one executive and one non-executive Board director at each meeting. We also engage directly with member campaign groups.
42. We use the Service Mark accreditation from the Institute of Customer Service – which involves regular surveys of our members – to help us increase efficiency, improve customer trust, and understand the areas we can work to improve. We were awarded Service Mark accreditation with Distinction from the Institute of Customer Service (ICS) in November 2024, making us one of only 28 organisations in the country to achieve the highest standard of customer service.
43. Other approaches include member surveys, having a dedicated consumer panel, and using data and complaints from scheme administrators and social media.

Can you give any examples of best practice in the UK or internationally that demonstrate schemes taking appropriate account of their members' views?

44. By running a series of workshops with members on our improved retirement process, we identified our bereavement process was cumbersome. As a result, we have improved our bereavement process, making it much smoother and less cumbersome for the claimant, following a bereavement.
45. The FCA has recently published a report looking into how firms offer consumers support due to the Consumer Duty.⁷ The report suggests that good practice includes defining what good looks like, taking account of different needs and objectives, having the right support channels, and embedding a culture focused on good outcomes. Outcomes are monitored using metrics and processes are in place to spot issues and for continuous improvement.
46. In addition, there are also wider aspects of member experience that trustees and schemes can use to evidence that member views are seriously considered. This includes clear communication with members, using a variety of mediums (for example videos) and making reasonable adjustments for members with disabilities or who are vulnerable. Showing that schemes have an easy-to-use complaints process that is accessible and escalation points are clearly highlighted if the member's complaint is not resolved to their satisfaction could also be important evidence.⁸

What benefits and challenges do you foresee if mandatory minimum standards were introduced for scheme administrators and/or wider administration services such as Integrated Service Providers?

47. Effective scheme administration is essential for good member outcomes. However, we have some concerns that a range of factors can lead to a focus on keeping scheme administration costs low. Drawing on our experience over the years of reviewing the administration of over 1,000 schemes that have come into PPF assessment, we have seen the following themes:
 - Scheme benefits not being paid according to the scheme rules.
 - Administrators dependent on a few individuals with knowledge of the nuances of how the scheme rules operate (for example key-person risk).
 - Key documents being difficult to find and access, often stored in a combination of electronic and paper files.
 - Schemes lacking contingency plans in the event of employer insolvency, leading to poor member experience.

Standards we set for our panel firms

48. To assist with the assessment process, we use administrators from our Panel. We set out clear standards for our panellists, including:

⁷ [FCA, Consumer support outcome: good practices and areas for improvement, 2025](#)

⁸ [Legal services consumer Panel, Consumer focused regulation in legal services, 2023](#)

- Contractual Key Performance Indicators which measure performance around time, cost and quality of their work. This serves to encourage and maintain a certain standard of performance which includes meeting our objective of ensuring the assessment process is completed within 24 months.
 - Standardised Assessment Period processes which includes documentation promoting best practice across the panel leading to efficiencies around processes.
49. To support the quality standards we set, we also undertake a range of additional quality assurance including:
- Cost Frameworks which ensure panellists adhere to strict budgeting and internal approval and control processes to challenge fees. Having our panellists sign up to a Cost Framework reduces time around agreeing costs and setting reasonable assumptions around what we expect to pay for the work.
 - 360 degree stakeholder feedback and performance measurements through six monthly panel reviews. Feeding into each other's performance, this drives the right and better behaviours from panellists.
 - Regular governance checks that include annual site visits, compliance checks, reviews of sustainability and consumer duty initiatives providing a measure of control.

Benefits in minimum standards

50. We believe there is merit in exploring minimum standards particularly relating to data and risk management. Despite a long period of focus across the industry we still see cases where data standards are below what we would expect and given that incentives can lead to a focus on cost (rather than value) it may need a mandatory push via minimum standards to tackle this. But we recognise there are challenges – capacity in the administration industry; cost; and schemes in a wide variety of circumstances – which means the approach to imposing minimum standards needs to be considered carefully.
51. At present schemes need to provide a data quality score as part of their scheme return. We would be interested in finding out more about the challenges that schemes have in improving their data quality. Our experience indicates schemes may face challenges with data complexity, legacy systems and institutional knowledge not being written down but instead relying on a few key individuals.
52. We also believe there should be minimum standards in terms of risk management. We have published a guide, *Contingency planning for employer insolvency*⁹, to help trustees understand the sort of challenges they will face when there is an increased risk of their employer failing. The principles would also apply for scheme administrators. We would welcome consideration by the Department for Work and Pensions of approaches which would increase use of this guide by trustees, as part of its response to this consultation.

⁹ [PPF, Contingency planning, 2023](#)

What role should TPR take in reducing the risk and impact of a disorderly market exit by an administration provider?

53. We are participating in an Administrator Contingency Planning Working Group brought together by PASA, to develop contingency planning in the event of the sudden failure or exit of a large administrator. The group will look at payroll, data, banking, legal and rules/knowledge as well as business continuity planning. It hopes to be in a position to make recommendations to TPR later in 2026.
54. We plan shortly to issue an updated version of our contingency planning guidance which advocates planning to safeguard against future uncertainties. As part of their assessment, Trustees should consider the position of their administration provider and what options they have the future. Without planning there is a risk that access to key information will be lost, or member payments could be impacted.
55. We advocate TPR pushing Trustees and the industry to consider the scenario of administrator failure. We wonder if it worthwhile to consider the merits of an 'administrator of last resort', in the event of a market exit of an administration provider, there is an option(s) available which minimises disruption for members.