

In December 2025, the Pensions Regulator (TPR) [issued](#) revised administration [guidance](#) to support trustees, scheme managers and administrators “deliver high-quality services that safeguard member benefits and build trust in the pensions system”. This Aries Insight focuses on the content of the guidance to provide a digest of what represents good administration in the eyes of the regulator.

### Who is the guidance aimed at?

Primarily, the guidance is written for the benefit of a scheme's governing body (its trustees or scheme managers) but it will be of interest to administrators too. In fact, TPR states the guidance consolidates all administration expectations for trustees, scheme managers and administrators in one place. It applies to all scheme types and replaces the regulator's guidance on administration of a defined contribution (DC) pension scheme.

### What does it aim to do?

The current programme of regulatory change combined with technological developments and increasing expectations from members has led the regulator to conclude that high-quality administration is critical to delivering good outcomes for scheme members. Therefore, the guidance provides practical

steps that can be taken to meet the expectations set out in the administration [module](#) of TPR's [code of practice](#). This is organised into sections focusing on: [planning and maintaining administration](#); [information handling](#); [IT](#); and [contributions](#).

A scheme's [governing body](#) (the trustees or managers of a scheme) should work in partnership with their administrator(s) to meet these expectations and to ensure administration standards and the governance of them are maintained and regularly scrutinised.

### What does the guidance suggest?

A scheme's governing body must have controls in place to ensure that the benefits for members are being properly administered. Breaking that down, a scheme should:

- Be administered in accordance with scheme rules and legal obligations that apply.
- Provide good value to members.
- Hold and maintain the records required by regulations.

Whatever administration setup is used, a scheme's governing body will remain legally

responsible for administration. Broadly, a governing body should:

- Hold sufficient [knowledge and understanding](#) of administration.
- Be aware of relevant developments and best practice.
- Know the responsibilities and tasks an administrator is responsible for.
- Develop and maintain an [administration policy or strategy](#).
- Regularly discuss and consider administration matters, particularly with the representatives of an administrator.
- Ensure their administrator has sufficient resources and capacity to administer a scheme effectively.
- Be prepared to allocate additional resources or budget for any ad-hoc project work that is needed.
- Monitor the performance of administration services, identify any issues and drive performance improvements.

Much of this is included in the [planning and administration](#) section of the code of practice.

Having established these key responsibilities, the guidance goes on to look at a number of factors crucial to the effective running of an administration function, beginning with the maintenance of IT systems.

### **Maintenance of IT systems**

To realise the benefits of technology, a governing body should:

- Have a robust [governance and control framework](#).
- Take an active role in the oversight of the management of member data.
- Gather evidence from an administrator or system provider to assess if the IT systems are adequate to meet a scheme's operational and legal requirements.
- Be prepared to challenge an administrator where expectations are not being satisfactorily met and push for improvements where needed.
- Ensure there is an appropriate level of governance to monitor how well an administration system is functioning and for any major system changes planned.
- Have an overview of a scheme's [cyber resilience processes](#), including system backups, [business continuity plans and disaster recovery plans](#).

These activities are elaborated on the sections on [maintenance of IT systems](#) and [cyber controls](#) in the code of practice.

### **Key administration activities**

Governing bodies are urged to work with their administrator(s) to identify all tasks relevant to their own scheme, but TPR's guidance list some common administration activities:

- Delivering a good experience through member communications.
- Maintaining and monitoring the payment of contributions.
- Ensuring a balance is struck between the prompt processing of transfers and conducting adequate due diligence to prevent scams.
- Making benefit payments accurately and promptly whilst ensuring they are clearly documented and authorised.
- Ensuring contributions are invested in a timely manner following receipt and reconciliation.
- Ensuring the smooth operation of any incentive exercises for defined benefit (DB) schemes.

More detail is included in the [financial transactions](#), [transfers out](#), [record keeping](#) and [contributions](#) sections of the code of practice.

### **Key administration considerations**

Records should be kept by a governing body relating to:

- Meetings held and decisions made.
- Scheme documentation, including the trust deed and rules, discretionary practices and any deeds of amendment or rule changes.
- Member data and financial transactions.

Ideally, a scheme's retention policy should be documented. Additionally:

- A scheme should have [internal controls](#) in place for recording known and potential risks, which could be listed in a risk register.
- A governing body should take an active role in overseeing the [management of member data](#), which could be recorded in a data management plan or strategy.
- Controls should be put in place to keep member data secure covering data protection, data breaches and for accessing scheme and member records should certain events occur.
- A business continuity plan (BCP) and disaster recovery plan could help [manage risks](#) that may impact on scheme administration and member data.

Overall, a governing body should understand and assess the risks facing a scheme from all those involved in its administration. If legislation relating to the administration of a scheme has not been complied with, this is a [breach of the law](#) which a governing body may need to report to TPR.

This is tied into the [record keeping](#) and [data monitoring and improvement](#) sections of the code of practice.

### **Maintaining the quality of an administration service**

The level of detail contained in a scheme's [administration policy or strategy](#) will typically depend on the circumstances affecting the scheme. Generally, a policy or strategy will cover:

- The objectives and scope of the administration function.
- The roles and responsibilities of the governing body, the employer, the administrator(s) and any other service providers.
- Information and reporting requirements.
- Monitoring and review procedures.
- [Disaster recovery and BCP](#).

- Processes for appointing or re-tendering a contract where administration functions are outsourced.

Performance reports from administrator(s) and a scheme's risk register are key documents that will help a governing body to assess progress against its administration policy or strategy. As a minimum, reports from an administrator should cover:

- Movements in membership statistics and progress against [service performance measures](#).
- An overview of member feedback, complaints and dispute resolution.
- Data quality, [quality assurance](#), errors and breach reporting.
- Cash flow reporting.
- Risk management reporting.
- Delivery of annual tasks (such as issuing annual benefit statements).
- Details of when online access was not available to members.
- Progress on any scheduled updates to administration services.
- Pending tasks or those requiring further information.

All administrators should have metrics that can measure the delivery of key administration activities. These are typically noted in service

level agreements (SLAs) or key performance indicators (KPIs).

Some of this is expanded on in the [planning and maintaining administration, record keeping](#) and [data monitoring and improvement](#) sections of the code of practice.

Administrators should be suitably experienced and qualified to administer a scheme. In practice, this may be evidenced by:

- Establishing whether an administrator has obtained independent voluntary accreditation, such as that [offered](#) by PASA.
- Seeking assurance from an administrator that they have adequate policies and practices in place for employee training and development.
- Establishing whether administration staff have adequate experience and qualifications, such as those awarded by the [Pensions Management Institute](#).

Additionally, assurance should be obtained from an administrator that there is a well-documented and maintained procedure manual in place, incorporating quality assurance checking.

### **Aries Comment**

*Although the guidance mainly adds clarity to existing TPR expectations, some new aspects are added. These relate to including guidance on the governance of IT systems, broadening the scope of the performance measurement of an administration service and enforcing the importance of having an administration strategy. Trustees and scheme managers are encouraged to review the guidance, compare it to current practices, identify any amendments needed and monitor for new developments that need to be taken account of.*

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