

Stick or twist?

Many UK companies opted for a master trust for the first time in 2012 to meet their auto-enrolment duties. A decade on, Standard Life head of master trust, Donna Walsh, says it may be time to conduct a pensions review

Driven by technical innovation, since the start of great auto-enrolment reforms, the world has seen huge changes such as the first Apple watch, Uber in the UK, the rise in social media and development of the Cloud.

Not surprisingly, both individual companies and pension providers have also raised their game with vastly improved pension schemes for their staff and clients. In such changing times, it can make sense to test the market frequently on value, quality and innovation and even on 'evergreen basics', such as caring for colleagues. These could have such a profound impact on employer and member experiences. We know just how crucial it is to look after our people so they in turn can look after clients and members.

From master trust to master trust

A master trust is a multi-employer occupational scheme with every employer having its own section within the trust. Coming in all shapes and sizes, the 36 authorised master trusts are offered by financial services firms such as Standard Life, a brand with a 200-year-old history; consultants and independent providers and the government-backed provider Nest. Master trusts are governed in a similar way to traditional trust-based schemes, with rules on value for members' assessment, chair's statement, and statement of investment principles, for example.

Reviewing and selecting a master

trust is a complicated task as there are many factors to consider, including trustee and governance set-up, investments, administration and service levels, member communications and the commitment of the pension provider. Advisers will scrutinise across each of these areas to support employers with their review.

Even after a review, some employers, (and their advisers) may come to the conclusion that their own in-house offering or existing master trust is the most suitable for them and their staff. Others can be apprehensive about change given system, data and member communication considerations, but with specialist implementation and member engagement teams coupled with good relationship management, these obstacles are often not insurmountable. Whatever the outcome, such an exercise can be enlightening, even if you decide simply to 'stick'.

This check list is a quick way to see whether your existing master trust is still right for you or whether it might be time to 'twist'.

Review your master trust: 20-point check list

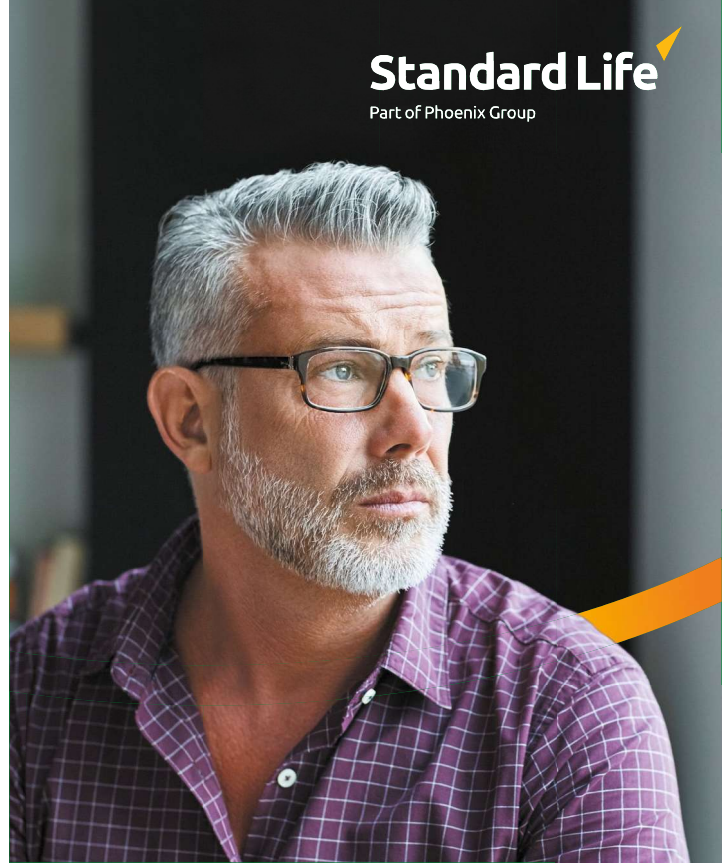
1. Pensions are long term – how long has your master trust provider been in business? Is your provider continuing to adapt and evolve in line with changing needs?
2. How financially sound is your master trust provider?
3. How does your master trust compare



against your companies' values?

For example, are your sustainability objectives aligned with your staff pension provision?

4. How are your members treated when facing uncertain times?
 5. What is the quality of governance like?
 6. How quickly can the independent trustees act in times of crisis?
 7. How easy is it to administer your scheme?
 8. Have there been any admin hiccups recently?
 9. What service levels are your members experiencing? For example, do members have to wait longer than a minute for calls to be answered?
 10. How satisfied are your members with digital and telephone interactions?
 11. How many fund options does your master trust offer, including ESG, that suit your own employees' profile?
 12. How easy is it to switch funds at a click of a button?
 13. How good are the member communications?
 14. How personalised are member experiences?
 15. How easy is it for members to take the next step after nudging?
 16. How flexible are the retirement options?
 17. Does your master trust offer all retirement options to members?
 18. Does your master trust support investment pathways into retirement?
 19. How transparent and inclusive are charges? Are there any hidden extras?
 20. Lastly but not least: can you show any proven member outcomes? How are they benchmarked?
- At Standard Life, we don't just tick the boxes we always aim to deliver the best



experience for employers and their members. If your master trust doesn't get full marks perhaps it may be time to 'twist'. If you are tempted to move, make sure advisers have a central role in your choice; they know the market and can select the most appropriate master trust for you and your employees

In my view, the most important thing for employers is to consider carefully what they want to achieve and what outcomes and service they want from the master trust. For one of our new clients their objective was clear. They said: "The financial wellbeing of our people is of paramount importance to us, so choosing the right master trust was a critical decision and one which we didn't take lightly. Following an extensive tender process, we eventually selected Standard Life as our partner as they were able to deliver a truly member-centric proposition, backed by impressive administration. One year on and we have not been disappointed."

What is most important to you and your employees? Finding the right master trust may not mean staying with the master trust you know best.

If you have not reviewed your master trust provider for a while, now may be the time to do so. Your existing master trust provider may no longer be the best performing or most innovative. It may even fall short on areas that may be important to you such as financial wellness support or caring for members when they need it most.

We really care. We always listen to employers, their advisers and members. We continually adapt our offerings as regulation, technology and members' needs change. So, why not visit the Standard Life website, where you can read more about key considerations should you decide to 'twist'. You can also learn more about the truly trailblazing research and solutions from Standard Life here:



Written by Standard Life head of master trust, Donna Walsh

In association with



Achieving the best member outcomes takes more than a pension fund

It takes an award-winning Master Trust and personalised service supporting your members from the minute they join, to and through retirement.

Your members will also benefit from:

- A range of tools to support financial wellness
- Access to powerful insights
- A responsible investment default strategy with clear ESG targets

And all at no extra cost.

Find out more at [standardlife.co.uk/employer](https://www.standardlife.co.uk/employer)

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