

Latest facts and figures

# The current master trust market

Master trust authorisation was introduced to raise standards for the 10 million members saving into them. Since 1 October 2018, master trusts have been able to apply to us for authorisation, demonstrating that they meet the required standards across five key areas:

1. **Fit and proper** – All the people who have a significant role in running the scheme can demonstrate that they meet a standard of honesty, integrity and knowledge appropriate to their role.
2. **Systems and processes** – IT systems enable the scheme to run properly and there are robust processes to administer and govern the scheme.
3. **Continuity strategy** – There is a plan in place to protect members if something happens that may threaten the existence of the scheme, including how a master trust will be wound up.
4. **Scheme funder** – Any scheme funder supporting the scheme is a company (or other legal person) and meets the requirement that it only carries out master trust business.
5. **Financial sustainability** – The scheme has the financial resources to cover running costs and also the cost of winding up the scheme if it fails, without impacting on members.

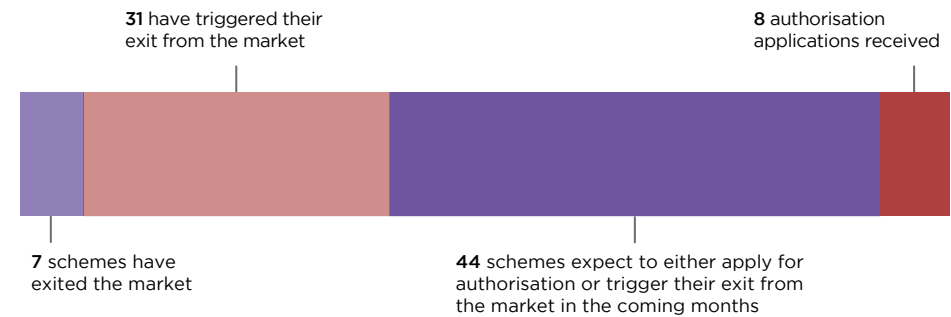
We have identified 90 master trusts in the market and as at 31 January 2019, we have received eight applications for authorisation.

We expected the introduction of authorisation to drive consolidation of the market, and we see evidence of this continuing. Seven schemes have exited the master trust market so far, and a further 31 have notified us of a triggering event to exit the market, and will transfer their members to an alternative master trust scheme or other appropriate vehicle. We expect the remaining 44 master trust schemes to either apply for authorisation or trigger their exit from the market in the coming months.

Authorisation will increase the quality of master trust products and providers and therefore increase protection for members. For those master trusts that choose to exit the market, or fail to get authorised, we will oversee the process to satisfy ourselves that members are transferred in a safe and timely manner and employers continue to meet their automatic enrolment duties – taking enforcement action if necessary. We continue to support the 38 schemes that have exited, or plan to exit the market.

We update these figures on a monthly basis. Since October, we have received eight authorisation applications and we expect to receive many more in the next couple of months. If you are a master trust, make sure you plan enough time to complete and send us your application.

**Chart: The current master trust market**



Figures correct as at 31 January 2019

## How to contact us

Napier House  
Trafalgar Place  
Brighton  
BN1 4DW

[customersupport@tpr.gov.uk](mailto:customersupport@tpr.gov.uk)  
[www.tpr.gov.uk](http://www.tpr.gov.uk)

### [www.trusteetoolkit.com](http://www.trusteetoolkit.com)

Free online learning for trustees

### [www.pensionseducationportal.com](http://www.pensionseducationportal.com)

Free online learning for those running public service schemes



**The current master trust market:** Latest facts and figures

©The Pensions Regulator February 2019  
[www.tpr.gov.uk](http://www.tpr.gov.uk)

You can reproduce the text in this publication as long as you quote The Pensions Regulator's name and title of the publication. Please contact us if you have any questions about this publication. This document aims to be fully compliant with WCAG 2.0 accessibility standards and we can produce it in Braille, large print or in audio format. We can also produce it in other languages.