



For immediate release

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### **The ViaNova Working Group launches initiative to automate pension transfers in partnership with TISA Exchange (TeX)**

- The initiative will combine open standard solutions with a common legal framework to streamline transfer processing
- The pilot seeks to reduce costs and risks associated with pension transfers
- The Covid-19 pandemic has accelerated the transition to automated processes, demonstrating both the need of automated services and the benefits to both industry and the end customer

The ViaNova working group, a collaboration between product providers and third party administrators in the UK corporate pension industry, and TISA Exchange (TeX) today announce the launch of an initiative to automate pension transfers for corporate schemes and Master Trusts. Together, they will pilot automated pension transfers using ISO 20022 standards with the aim to reduce costs for all participants, improve efficiency and reduce risk.

To ensure industry interoperability, the pilot will involve key pension administrators Willis Towers Watson, Capita, Barnett Waddingham, and Mercer.

Enhancing the speed and security of pension transfers is becoming an increasingly vital challenge for both the pension industry and members. Getting the balance right between consumer protection and a positive member experience is critical. The importance of fast and secure transfers has grown with both the movement into drawdown vehicles together with the proliferation of small, deferred pots as a consequence of auto enrolment and a more dynamic workforce that change jobs more often. The management of multiple small pots can be detrimental to providers and members alike, as issues around value for money can develop.

The Pensions Policy Institute's research in 2020 found that there will be 27 million small, deferred pots by 2035 at the current rate. The Department for Work and Pensions and the industry are seeking solutions to this problem, which will vastly increase the number of transfers requested. An industry-led solution, along with the expected launch of pensions dashboards and other Open Finance initiatives will require a robust, secure and effective transfer service that will reduce costs for administrators whilst guaranteeing a good member experience.

**Andy Hussey, Willis Tower Watson and Co-Chair of ViaNova working group said:** *"We believe the ViaNova/TeX partnership is the key to solving the industry's pension transfer challenges. By combining open standard solutions with a common legal framework we can streamline end-to-end transfer processing to reduce costs for administrators and most importantly create a much improved member experience. The use of open standards gives us the flexibility to create the most effective solutions for our operations whilst ensuring we can smoothly interoperate with other administrators right across the pensions industry."*

**David Moffat, Chair, TeX said:** *"We are really pleased to be a part of this pilot and to be able to support improvements in the industry to better serve pension administrators and the end customers. This pilot will build on the success of TeX in the ISA/GIA space, helping to expand the use of technology in this fast-paced world. The recent lockdowns as a result of the Covid-19 pandemic has*



*accelerated the need to, and shown the benefits of, moving away from paper towards electronic solutions.”*

**Fiona Matthews, Managing Director, LifeSight said:** *“LifeSight is fully supportive of Willis Tower Watson’s inclusion of the ViaNova/TeX initiative, aiming to support more secure and faster transfers for members. LifeSight looks forward to being a part of this initiative and indeed the pilot, alongside other leading pension schemes and providers.”*

The pilot will be processing live transfers in early Autumn 2021.

ViaNova was the first working group to use the ISO 220022 messaging standards in the UK, which became a widely adopted practice for corporate pension funds launched in 2007. TeX manages and runs the complete set of non-commercial contracts between parties that cover standards, service level agreements and matters of liability concerning all aspects of transfers.

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**Notes for Editors**

The data is based on approximately 82% of the expected maturities to the end of February.

**TISA Exchange Ltd (TeX):** TISA Exchange Limited (TeX) has been established to help facilitate the electronic transfer of wrappers and assets between fund managers, platforms, wealth managers and any firm which holds assets on behalf of investors. TeX members administer over 97% of platform assets and over 95% of industry funds under management.

TeX manages and runs the complete set of non-commercial contracts between parties that cover standards, service level agreements and matters of liability concerning all aspects of transfers.

The provision of common non-commercial contract terms for transfers provides certainty for customers and firms that the process is being completed to an agreed industry standard. This significantly reduces cost, risk and duplication for the industry by removing the need for each platform, service provider, ISA manager, nominee, TPA and fund manager to have individually agreed contract terms covering transfers.