

The Future For Trustees

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The Future For Trustees – Some History

Coleman's of Norwich – late Nineteenth Century

Finance Act 1921

Finance Act 1967

Finance Act 1972

Draft White Paper 1984

National Pensions Board

Pensions Act 1990

The Future For Trustees – Proposals for Change

1976 Green Paper

1984 Draft White Paper

1998 National Pensions Policy Initiative

2005 National Pensions Review

2006 Special Savings For Retirement Report

2007 Green Paper On Pensions

2010 National Pensions Framework

2013 OECD Report

2018 Pensions Roadmap

The Future For Trustees – IORP II

IORP II – Increased regulation

Article 22 – New fitness and probity requirement

“Fit” means trustees collectively have necessary qualifications, skills and experience to perform duties

“Proper” means trustees must be of good reputation and integrity

The Future For Trustees – IORP II

IORP II – Exclusions for small schemes

Taking into account the nature of pension scheme and administrative burden involved

- Article 5 – Member States may choose not to apply Directive in whole or in part to schemes with less than 100 members
- If scheme has more than 15 members then Article 19(1) (Investment rules) and Article 21(1) and (2) (General governance requirements) must apply

The Future For Trustees – The current position

Defined contribution schemes – 72,096 - members – 351,657

Defined benefit schemes (subject to Funding Standard)

- 614 - members - 102,683

Defined benefit schemes (not subject to Funding Standard)

- 99 - members – 391,606

(Pensions Authority Annual Report 31 December 2018)

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“At present, therefore, a large body of employees have, through these schemes, covenanted rights to pension which must be preserved in any new system or replaced by equally good rights.”

(1976 Green Paper at para 165)

The Future For Trustees - Lay trustees

“Trustees are entitled to take their own information into account as well as seeking the advice of experts. After all, the reason they are there as trustees is to exercise their judgment on the basis of common sense and local knowledge as well as seeking expert advice for more difficult decisions...”

(Charleton J. *Greene & Ors. v Coady & Ors.* [2014] IEHC 38 at para 17.1)

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