

## FAQs on Trustee Training Requirements

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## **1. When does the requirement for trustee training begin?**

The first day of February 2010 is the day on which section 28 of the Social Welfare & Pensions Act 2008 comes into operation.

## **2. Who must receive training?**

Every trustee must undertake trustee training in accordance with section 59AA of the Pensions Act. This includes:

- individual trustees
- member trustees
- all directors of a company which is acting as a corporate trustee
- pensioner trustees
- professional trustees.

‘Pensioner trustee’ means a person who:

- Is for the time being approved by the Revenue Commissioners to act as such in accordance with requirements imposed under Part 30 of the Taxes Consolidation Act 1997.

‘professional trustee’ means a person who:

- holds themselves out as having special knowledge, skills and expertise with respect to pension trusts, and
- in the course of a profession or business provides trustee services to schemes or trust RACs.

## **3. What is the employer’s obligation?**

An employer who operates a scheme is obliged to arrange for the trustees of that scheme (and, in the case of a trustee which is a body corporate, for all the directors of that body corporate) to receive appropriate training.

However, an employer is not required to arrange appropriate training for:

- (a) a pensioner trustee, or
- (b) a professional trustee.

Where an employer breaches their obligation to provide appropriate training they may be prosecuted.

#### **4. What will the trustee training be required to cover?**

Trustees will be required to receive training on:

(a) the Pensions Act, the regulations made under it and any other law of general application governing the operation of their scheme or trust RAC, such as the:

- Pension provision of the Family Law Acts
- Protection of Employees (Part-Time Work) Act 2001
- Protection of Employees/Employers (Insolvency) Act 1984
- Protection of Employees (Fixed Term Work) Act 2003
- Employment Law
- Finance legislation
- EU "IORPS" Directive.

(b) the duties and responsibilities of trustees generally.

#### **5. When will a trustee be obliged to undertake trustee training?**

Trustees are required to receive training within six months of their appointment and at least every two years thereafter.

Where a person is already a trustee before the 1 February 2010, the training will have to be completed before 1 February 2012 and at least every two years thereafter.

#### **6. Will trustees who have received trustee training prior to this legislation being effected receive any exemptions regarding the timescales set out in question 5?**

No.

#### **7. My scheme is fully insured: is there any exemption for trustee training?**

No.

#### **8. Do the trustees of death benefit only schemes require trustee training?**

No, though the Board would recommend all trustees take appropriate training.

#### **9. What if I am a trustee for a number of schemes?**

Appropriate training must be undertaken, but not for each specific scheme. However, details of the training undertaken must be recorded in each schemes annual report.

## **10. What happens if I do not comply with the trustee training requirements?**

Where a trustee fails to undertake appropriate training, they may be subjected to an on-the-spot fine.

Where an employer breaches their obligation to provide appropriate training they may be prosecuted.

## **11. How will the Board supervise compliance with trustee training requirements?**

It is the responsibility of trustees to ensure that up-to-date records are kept in relation to the training undertaken by trustees, as this information will be required to be included in the scheme's annual report.

All schemes are subject to Board compliance and regulatory audits.

## **12. How should the undertaking of trustee training be recorded in the scheme's annual report?**

The Board would suggest a straight forward declaration that appropriate trustee training has been undertaken – e.g. “We confirm that the following ‘Named trustee(s)’ have received appropriate trustee training as required by the Pensions Act within the time limits set out therein.

## **13. Are there any other matters which the trustees must confirm in the Annual Report in respect of trustee training obligations?**

The trustees must confirm in the annual report that they have access to the most recent edition of the Board's trustee training handbook and the Pensions Board Guidance Notes.

## **14. How do I obtain trustee training?**

The Pensions Board has a statutory function under Section 10 (1) of the Pensions Act to encourage the provision of the appropriate training facilities for trustees of schemes.

The Pensions Board recognises that appropriate training may be provided in a number of different ways, such as:

- by completing The Pensions Board e-learning course, or
- by completing a trustee training course. A list of self certified trustee trainers is outlined on the Boards website at [www.pensionsboard.ie](http://www.pensionsboard.ie), or
- by completing appropriate trustee training with a corporate trustee service provider, life company, broker or legal advisor, or

- administrators of single member schemes sometimes provide trustees with a trustee training booklet to assist them with their obligation to undertake appropriate trustee training.

The Pensions Board would recommend that anyone providing any form of trustee training to register as a self-certified trustee trainer. A list of self-certified trustee trainers are compiled by the Board and posted on its website under Trustee Information.

**15. Can I use any means of trustee training other than mentioned in question 14 above?**

Yes, once appropriate training is undertaken (see question 4).

**16. Can the costs of training be met from the resources of the scheme?**

Yes, if it is allowed for in the scheme rules.

**17. Is certification needed to prove that trustees have undertaken appropriate training?**

Certification is not required but trustees should keep records to show that they have obtained appropriate trustee training. This information may be required as proof of training should the Board audit your scheme.

The Board's e-learning facility includes an assessment which will result in the award of a certificate of understanding where the participant is successful.

Other approved training courses should provide confirmation of participation by trustees.

**18. How does the Pensions Board trustee e-learning system work?**

The e-learning system is designed to give a good understanding of the role and responsibilities of a trustee and how to apply them.

The course has nine lessons ranging from the basics of pensions and trusteeship, through to more complex areas such as investment. These include:

- understanding pensions
- being a trustee
- scheme rules, contributions and benefits
- running a scheme
- scheme financing for defined benefit schemes
- investing a scheme's assets
- administration and accounting
- member communication

- managing problems.

Each lesson covers a number of topics and is completed by carrying out an assessment at the end of the lesson.

Each topic is designed to take about 10 minutes and each of the nine lessons takes on average about 60 minutes. The system allows you to complete the topics at your own pace. Each topic can be taken separately, and does not have to be completed in one session.

In order to take the assessment in each lesson, you must have completed all the material for that lesson. When you have finished all of the lessons and passed the assessments, the Board will provide you with a certificate to acknowledge your successful completion of the training.

The e-learning system is available at <http://trusteetraining.pensionsboard.ie/> and is also accessible from the Board's home website [www.pensionsboard.ie](http://www.pensionsboard.ie)