



## FAQs on Trustee Training Requirements

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## 1. When did 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, came 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. What training is appropriate for those trustees who have already undertaken initial training and are in the two yearly cycle?**

The Pensions Authority would accept that trustees can use their judgement to decide what constitutes appropriate ongoing training for them, based on their own levels of knowledge, and experience of the areas listed in Q 4 (a) and (b) above. There are various options, e.g. modular training that is more advanced than the initial training and focused perhaps on issues relevant to their particular scheme.

#### **7. 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.

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

No.



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

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

**10. 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.

**11. 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.

**12. How will the Authority 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 Authority compliance and regulatory audits.

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

The Authority 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.

**14. 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 Authority's trustee training handbook and the Pensions Authority Guidance Notes.

**15. How do I obtain trustee training?**

The Authority supports appropriate trustee training in the following ways:



The Authority has developed an e-learning facility for trustees which is free of charge and can be accessed at <http://trusteetraining.pensionsauthority.ie/>

A list of approved trustee training courses is available on the Authority's website at [www.pensionsauthority.ie](http://www.pensionsauthority.ie).

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

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

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

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

**18. 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 Authority audit your scheme.

The Authority'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.

**19. How does the Pensions Authority 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 Authority will provide you with a certificate to acknowledge your successful completion of the training.

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