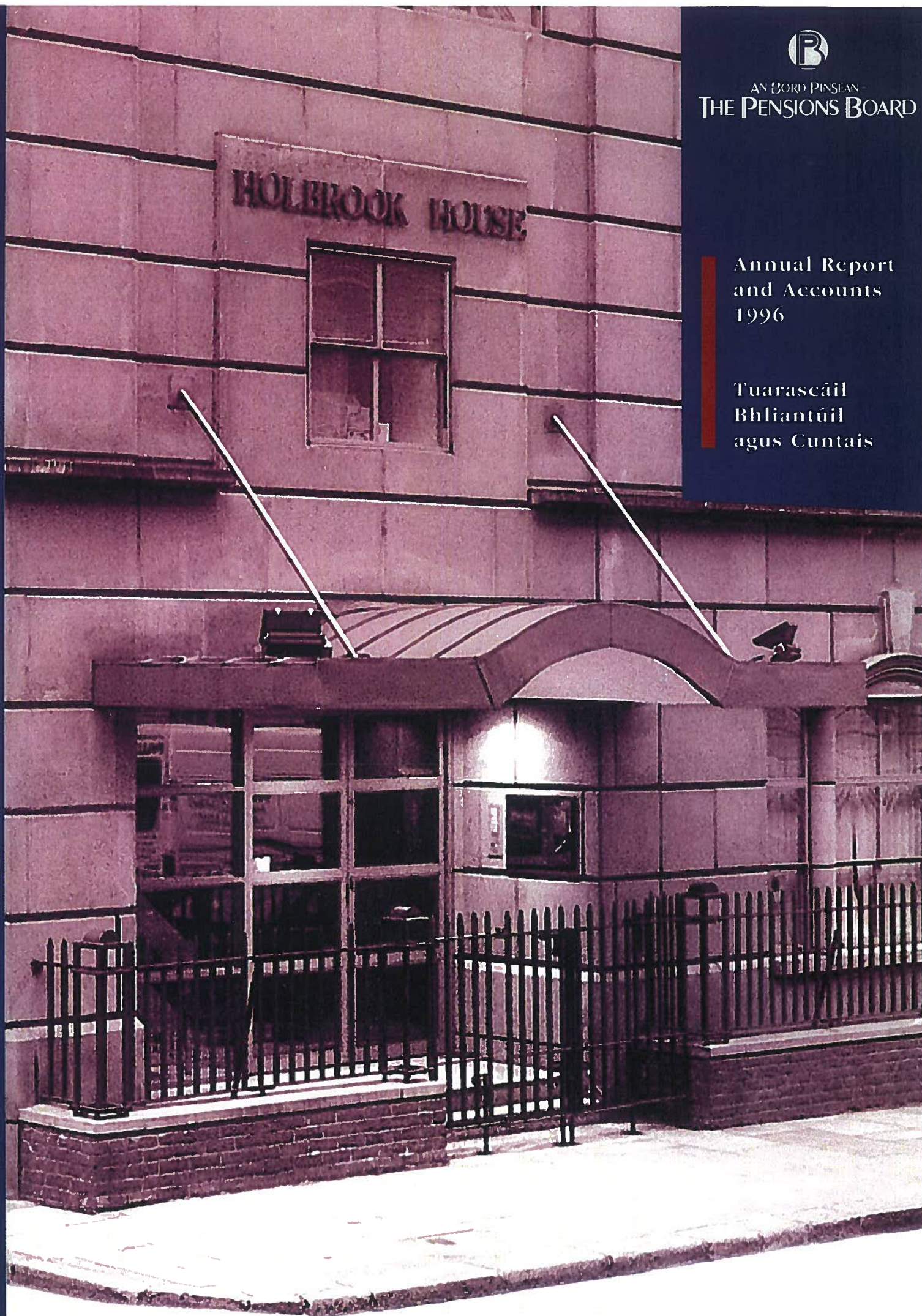




AN BORD PINSÉAN  
THE PENSIONS BOARD

Annual Report  
and Accounts  
1996

Tuarascáil  
Bhlíantúil  
agus Cuntais



**Annual Report and Accounts 1996**  
**Tuarascáil Bhliantúil agus Cuntais**



AN BORD PINSEAN –  
**THE PENSIONS BOARD**

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## Mission Statement

### Misean an Bhord Pinsean

Sábháilteach pinsean ceirde a chur chun cinn trí:

- threoir údarásach a sholáthar do iontaobhaithe agus do riarthóirí ar chomhlíonadh Acht na bPinsean agus ar dheachleachtadh ginearálta i ndáil le riaradh scéime, agus trí thraenáil iontaobhaí cuí a mholadh;
- réimse leathan eolais ar chearta na mball faoi Acht na bPinsean a chur ar fáil go héasca do bhaill scéime agus do dhaoine eile ar suim leo é agus trí bhaill a spreagadh dun na cearta seo a úsáid d'fhonn a dteidil pinsin a chosaint; agus
- mhonatóireacht agus stiúradh a dhéanamhar scéimeanna pinsean gairme agus, áit is gá, comhlíonadh Acht na bPinsean a chur i bhfeidhm tríd na Cúirteanna.

Tuilleadh forbairte ar phinsin in Éirinn a chothú trí sholáthar:

- treoir polasaí agus comhairle dírithe ar fheidhm níos leithne a bhaint as pinsin atá oiriúnach, sábháilte, solúbtha agus eifeachtach ó thaobh chostais de d'fhonn freastal ar sholáthar pinsean sna blianta romhainn do dhaoine atá ag dul in aois.

### Mission of The Pensions Board

To promote the security of occupational pensions by:

- providing authoritative guidance to trustees and scheme administrators on compliance with the Pensions Act and on good practice generally in relation to scheme administration, and by encouraging appropriate trustee training;
- making a wide range of information on members' rights under the Pensions Act readily available to scheme members and other interested parties and by encouraging members to use these rights to assist in safeguarding their pension entitlements; and
- monitoring and supervising the administration of occupational pension schemes and, where necessary, enforcing compliance with the Pensions Act through the Courts.

To promote the further development of pensions in Ireland through the provision of:

- policy guidance and advice aimed at encouraging the wider application of adequate, secure, flexible and cost efficient pensions to meet the challenge in the coming decades of pension provision for an ageing population.

## Chairperson's Introduction

**I** am pleased to submit, in accordance with Section 23 of the Pensions Act, 1990, the Annual Report of An Bord Pinsean – The Pensions Board, for the year ended 31 December 1996.

The majority of the current members of the Board were appointed in December 1995 for a five year term. During 1996, the Board's membership was increased by the appointment of two additional members (Caroline Jenkinson and Maria Kinlan), both scheme trustees. In addition, Alan Broxson replaced Anne Maher during the year as the nominee of The Irish Association of Pension Funds following Anne Maher's appointment as the Board's Chief Executive. I am pleased to say that all Board members have contributed to a successful 1996 for the Board and have maintained the high standards set by their predecessors.

This Report adopts a new format, compared to earlier ones, by re-grouping its central sections around each of the four main parts of the Board's Mission Statement. This is intended to focus attention on the Mission Statement and how the organisation's activities during 1996 contributed to implementation of the Statement's objectives.

While the Report contains detailed information on our activities in 1996, there is a number of areas which I wish to highlight.

### National Pensions Policy Initiative

At the same time as publicly receiving the report 'Occupational and Personal Pension Coverage 1995', carried out by the Economic and Social Research Institute for his Department and The Pensions Board, the Minister for Social Welfare launched the National Pensions Policy Initiative. This Initiative is jointly sponsored by the Department of Social Welfare and The Pensions Board. Its stated purpose is to facilitate a wide debate on future national pension policy.

To advance the Initiative, the Board and the Department, with the assistance of consultants, prepared a Consultation Document during the last quarter of 1996. This Document, which was

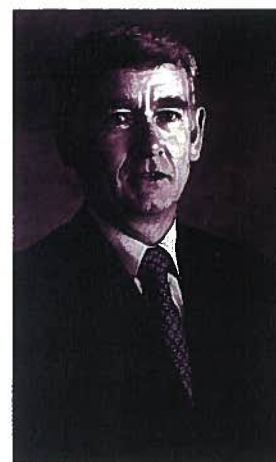
launched on 13 February 1997, identified the key issues to be considered in the formulation of national pensions policy for the future and it invited submissions, including responses to the key issues identified, by 30 May 1997. The preparation and wide circulation of the Document was the first major step in setting in train the process of policy debate on this issue of national importance.

The second stage of the Initiative will involve a full analysis of responses to the Consultation Document, leading to the formulation of a recommendation for the most appropriate pension system for the future in Ireland. This recommendation will be contained in a report to be prepared by end autumn 1997 from The Pensions Board to the Minister for Social Welfare.

I share with all those concerned about future pension provision the hope that this Initiative will have a successful outcome.

### Pensions (Amendment) Act, 1996

Following publication of the Pensions (Amendment) Bill, 1995 by the Minister for Social Welfare on 14 December 1995, the Bill progressed through the Houses of the Oireachtas during the first half of 1996. During that time, the Board provided mainly technical advice and assistance, as necessary, to the Minister and his officials. Having been passed by both Houses, the Bill was signed by the President and became law on 2 July 1996. The Act contained a number of amendments, of a technical nature, to the Pensions Act, 1990. It also introduced substantive new provisions relating to compulsory and voluntary reporting to The Pensions Board of suspected fraud and material misappropriation in pension schemes. While it is clearly too early yet to assess definitively the impact of the new provisions, the indications are that they are working successfully to enhance member protection and the smoother operation of the regulatory system.



*Eamonn P. Heffernan,  
Chairperson*

## Policy Programme

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As I mentioned in last year's Annual Report, in early 1996 the Board set up a Policy Committee to assist its consideration of policy matters. The Committee has drawn up a comprehensive and prioritised Policy Programme, which was approved by the Board, under which a wide range of matters will be examined, in planned stages, during the term of office of current Board members. The Policy Programme was derived from items listed by the first Board on its retirement in December 1995, items requested by the Minister for Social Welfare during 1996, those arising from 'Partnership 2000', as well as some further items identified by the Committee. This programme, which commenced during the latter part of 1996, is now well under way.

The broad intention is that, on completion in turn of its examination of specific items, the Board will, over the coming two years or so, make recommendations to the Minister. These recommendations could, where legislation was required, form the basis for a further Pensions (Amendment) Bill towards the end of the present Board members' term of office. In areas where primary legislation is not required, appropriate measures would be implemented by Regulation and/or administrative action by the Board.

## Information

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In introducing last year's Annual Report, I indicated that the pursuit of an information and education policy would be a priority for the Board over the coming years. I saw this as an essential ingredient of the Board's role of assisting members to safeguard their pension entitlements and of empowering them to make soundly based choices about their own long term welfare.

Consistent with this heightened priority of its information and educational role, the Board prepared, during 1996, a further range of Information Booklets covering topics which, based on enquiries, are of concern to many members of pension schemes. In addition,

earlier Information Booklets have been updated and re-designed to ensure that they remain relevant and appealing to the reader. At the same time, the distribution and advertising network for the Booklets has been further broadened to ensure that they are available to as wide an audience as possible.

## Compliance

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While the primary responsibility for ensuring that the provisions of the Act are complied with rests with the trustees of pension schemes and others involved in scheme administration, the Board has a statutory function to monitor and supervise the operation of the Act.

One of the principal safeguards provided under the Act for members of defined benefit pension schemes is the minimum funding standard. The Board monitors compliance with this standard by requiring the submission of an actuarial funding certificate at 3½ yearly intervals. I am pleased to record that, at the year end, funding certificates were totally up-to-date for the vast majority of schemes covered by the standard. The membership of those schemes where certificates were outstanding represented less than 0.2% of the total membership of schemes subject to the funding standard.

A key element in the protection afforded under the Act to members of schemes is the requirement that schemes prepare an annual report, make members aware of its availability, and make a copy available to any member who so requests. To ensure that this requirement (and other statutory obligations of disclosure of information to members) is being complied with, the Board adopted, during 1996, a disclosure compliance strategy. Starting in 1997, this will involve the selection of up to 200 schemes each year for audit in relation to full compliance with the Disclosure of Information Regulations.

As in previous years, the Board investigated many complaints of non-compliance with the Pensions Act. In all but one case, compliance was achieved without recourse to legal action.

This resulted in the Board for the first time using the powers available to it under the Act to prosecute successfully the trustees of the scheme concerned. While the Board is anxious to pursue a policy of compliance with the Act without recourse to legal action, it is nonetheless determined to use its full powers whenever necessary.

## Conclusion

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While maintaining its essential regulatory role, the Board raised its policy role to a new level during 1996, with the adoption of its Policy Programme and its joint sponsorship, with the Department, of the National Pensions Policy Initiative. This level of achievement would not have been possible without the outstanding commitment of the members of the Board and those who served on its Committees. I would like to record my personal appreciation of their efforts on behalf of the Board.

I also wish to record the Board's thanks to the Chief Executive, Anne Maher, and to all the staff for their hard work, dedication and support during 1996.

Finally, I look forward, with my colleagues on the Board and its Chief Executive and staff, to building on the achievements of 1996 during 1997 and the coming years.

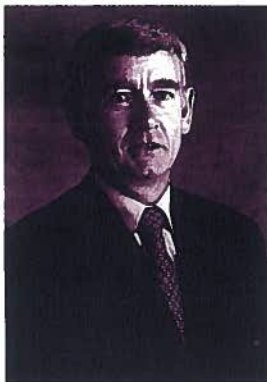


Eamonn P. Heffernan  
CHAIRPERSON

## The Pensions Board

**T**he Pensions Board is a representative Body, comprising a chairperson and fourteen ordinary members. While all its members are appointed by the Minister for Social Welfare, under the provisions of the Pensions Act (as amended)\*, the Board must comprise representatives nominated by trade unions, employers, the Government, the pensions industry, member trustees and professional groups involved with occupational pension schemes.

### THE CURRENT MEMBERS OF THE BOARD ARE:



**Eamonn Heffernan**  
Nominee of the Minister for  
Social Welfare  
Chairperson



**Kay Brophy**  
Nominee of the Minister for  
Social Welfare



**Alan Broxson\*\***  
Nominated by the Irish  
Association of Pension Funds



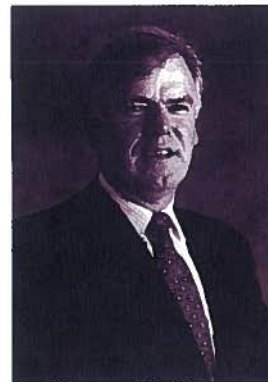
**Rosheen Callender**  
Nominee of the Minister for  
Social Welfare



**Deirdre Carroll**  
Representative of the Minister  
for Social Welfare



**Caroline Jenkinson\***  
Trustee representative,  
nominated by the Irish Business  
and Employers Confederation



**James R. Kehoe**  
Nominated by the Society of  
Actuaries in Ireland



**Raymonde Kelly**  
Nominated by the Association  
of Pension Lawyers in Ireland

The term of office for Board members is five years. Casual vacancies are filled directly by the Minister for Social Welfare or on the nomination of the relevant nominating body, as appropriate. A person who fills a casual vacancy only holds office until the end of the five-year period.



**Maria Kinlan\***  
Trustee representative,  
nominated by the Irish  
Congress of Trade Unions



**Ciarán Long**  
Nominated by the Irish  
Insurance Federation



**Donal McAleese**  
Nominated by the  
Irish Business and Employers  
Confederation



**Stephen McCarthy**  
Nominated by the  
Irish Congress of Trade Unions



**Veronica McDermott**  
Nominee of the Minister for  
Social Welfare



**Joe Mooney**  
Representative of the  
Minister for Finance



**Robert Woods**  
Nominated by the Consultative  
Committee of Accountancy  
Bodies in Ireland

**The Board met eleven  
times in 1996.**

\* The Pensions (Amendment) Act, 1996, provides for the appointment of two further members to the Board, one representing trade union members and one employers' members, each of whom must be a scheme trustee.

These appointments were filled by Maria Kinlan and Caroline Jenkinson respectively.

\*\* Replaced  
Anne Maher  
in July 1996.

## Committees

The Board works through a Committee system and much of its detailed work (such as the preparation of reports for the Minister for Social Welfare) is initially undertaken by a Committee. The Committees may include people who are not members of the Board, but who have particular expertise in relevant fields.

The Board changed the structure of the Committee system with effect from February 1996, and established the following three permanent Committees:

### Finance and Audit

Kay Brophy	Robert Woods
Thomas Dunphy	(CHAIRPERSON)
Tony Gallagher*	Liam Kelly
Donal McAleese	(SECRETARY)
Anne Vaughan	

The Committee met 5 times in 1996.

\* Succeeded Paddy Barry in June 1996.

### Policy

Alan Broxson	Eamonn Heffernan
Rosheen Callender	(CHAIRPERSON)
Deirdre Carroll	Eric Plunkett
Jim Kehoe	(SECRETARY)
Donal McAleese	
Stephen McCarthy	
Veronica McDermott	
Anne Maher	
Joe Mooney	
Anne Vaughan	
Ian Woods	

The Committee met 9 times in 1996.

### Legislation

Raymonde Kelly	Ciarán Long
Anne Maher	(CHAIRPERSON)
Brendan O'Leary	Catherine Goulding
Aidan O'Meara	(SECRETARY)
Simonetta Ryan	
Philip Shier	
Ultan Stephenson	
Anne Vaughan	
Ian Woods	

The Committee met 9 times in 1996.

In addition to the above permanent Committees, a number of Committees to deal with specific issues were in operation during the year. These were:

- Strategy of The Pensions Board
- Trustee Handbook
- Equal Treatment
- National Survey of Supplementary Pension Schemes
- Pensions (Amendment) Bill, 1995
- Compliance with the Disclosure of Information Regulations
- Information Policy
- Review of SORP
- Revision of Revenue Practice Notes
- National Pensions Policy Initiative

The members of these Committees were as follows:

Alan Broxson	Conor Lynch
Jim Daly	Brendan McCarthy
Brian Fitzpatrick	Veronica McDermott
Peter Flood	Colum MacDonald
Tony Gallagher	Anne Maher
Rosaleen Glacken	Gerry Mangan
Colette Hamilton	Joe Mooney
Aongus Horgan	Martin O'Callaghan
Gerry Hughes	Donal O'Carroll
Mary Hutch	Claire O'Connor
Caroline Jenkinson	Brendan O'Leary
Brendan Johnston	Des Ryan
Jim Kehoe	Pat Ryan
Raymonde Kelly	Clive Slattery
Ron Kelly	Adrian Smith
Paul Kenny	Anne Vaughan
Maria Kinlan	Brendan Whelan
Sarah Kyne	Ian Woods
Michael Lane	Robert Woods
Ciarán Long	Tom Wright

There were 71 combined meetings of these Committees in 1996.

## Staff of the Board

Chief Executive	Anne Maher*
Head of Investigations	Adrian Smith
Head of Information and Training	Mary Hutch
Financial Controller/Registrar	Thomas Dunphy (SECRETARY TO THE BOARD)
Head of Technical Services and Research	Ian Woods



*The management team at The Pensions Board: Adrian Smith, Mary Hutch, Anne Maher, Thomas Dunphy and Ian Woods*

Assistant Head of Technical Services and Research	Michele Cusack**
Systems Manager	David Moore
Information Officer	Catherine Goulding
Investigations	Eric Plunkett
Accounting and Systems	Liam Kelly
Disclosure of Information and Compliance	Aideen Bugler
Enquiries and Information	Edel Stenson
Registration and Funding	Ger Clarke**
Support Staff	Geraldine Slattery Valerie Clooney Sylvia O'Mahony Jennie Coughlan Irene Young** Maria Bennett Sinead Cilly Sinead Abbas**

\*Succeeded Gerry Mangan in July, 1996.

\*\*Due to start during summer 1997.

## Administrative and Financial Report

### Administration

The administrative structures put in place to support the Board's activities operated satisfactorily in 1996. The approved staff complement remained unchanged during the year, at seventeen.

It is the policy of the Board to ensure the safety, health and welfare of its employees by maintaining a safe place and system of work, pursuant to the Safety, Health and Welfare at Work Act, 1989.

Guidelines for the conduct of members and staff in relation to the business of the Board, adopted in 1992, are being observed. This includes implementation of procedures for the disclosure of interests by Board and Committee members.

During the year the Board embarked on the first phase of a fundamental review of the scheme registration, fee collection and benefit tracing processes and procedures. This involved a re-examination of the methods and approach adopted by the Board in administering these areas, with a view to streamlining the procedures and communications between pension intermediaries and the Board. An extensive consultative process took place with pension intermediaries and the Retirement Benefits District of the Revenue Commissioners in this regard, and the Board would like to record its appreciation for the input of the various organisations involved. The exercise produced significant improvement possibilities and confirmed that other current administrative practices should be maintained. The next phase of the process will involve the development of an enhanced I.T. system to support the improved arrangements, and this project will get under way early in 1997. It is expected that most of the new systems will be in place by the end of 1997, with some remaining aspects being implemented in 1998.

### Finance

Expenditure for the year amounted to IR£1,010,305 and was in line with budget.

Fee revenue at IR£793,355 was generated in respect of 1996 and reflects the fee levels introduced by virtue of the Occupational Pension Schemes (Fees) (Amendment) Regulations, 1992 (S.I. No. 367 of 1992) which took effect from 1 January 1993. It also includes some exceptional income from schemes which paid for a number of years when they registered for the first time in 1996.

The Board also earned miscellaneous income amounting to IR£53,935.

The deficit of expenditure over income arising, before transfer to the compliance enforcement reserve of IR£30,000, amounted to IR£163,015. The corresponding figure in the previous year was a surplus of IR£137,122. When the fee was increased from 1993, the intention was to provide the Board with a stable financial base from which to operate, consistent with the aim of maintaining a stable fee level over a number of years. The Board is satisfied that both aims have been met. Accordingly, the Board recommended to the Minister that the current fee level be maintained for 1997 and this recommendation was accepted. The fee has, therefore, remained unchanged for five years. However, given the current and expected expenditure profile of the Board, it is expected that a fee increase will be recommended to the Minister with effect from January 1998. This will be pitched at an appropriate level to provide the Board with a stable financial base from which to operate, consistent with the aim of maintaining a stable fee level over a number of years.

## Fee Collection

At the end of 1996 there were 7,905 occupational pension schemes with more than one-member in respect of which fees were payable. Fees were also payable in respect of 15,286 one-member schemes established on, or after, 1 January 1993.

Much of the Board's work in terms of registration of schemes, maintenance of the register and collection of fees was carried out through professional intermediaries on behalf of their trustee clients. The Board greatly appreciates all assistance received in this regard.

## Financial Outlook

The financial year to 31 December 1996 represented a further period during which the new pattern of running costs and operating levels continued to emerge. This settling-down period will help the Board in its financial and operational planning during 1997 and future years.

A provision of IR£30,000 was again made against income and expenditure account in 1996 in favour of the compliance enforcement reserve, which now stands at IR£150,000. This reserve will be built up to a reasonable figure to ensure that the Board will have the necessary resources to institute legal proceedings, should this be necessary to ensure compliance with the Pensions Act, and that such costs are recognised and spread as evenly as possible over the years.

The annual transfer from income and expenditure account to the compliance enforcement reserve and depreciation provision results, from time to time, in the Board having cash which is surplus to its immediate requirements. When

this occurs, the surplus cash is invested in short-term low risk securities to yield an adequate return consistent with the statutory functions and authority of the Board as laid down in the Pensions Act.

The main item of expenditure during 1996 contained in Management Consultancy (under the Consultancy and Other Professional Fees



heading) was IR£31,770. This was in respect of assistance with the business processes review of the scheme registration and fee collection areas, as a preliminary to new systems development. The balance of IR£13,026 covered professional assistance in relation to various other aspects of the Board's operations.

At the end of 1996 the Board had cash or cash equivalents amounting to IR£214,462.

Accordingly, with rising costs and with the fee level for schemes under Section 25 remaining unchanged since 1 January 1993, it is expected that cash resources available to the Board will reduce significantly over the coming period.

*Valerie Clooney,  
Thomas Dunphy, Liam  
Kelly, Eric Plunkett,  
Jennie Coughlan and  
David Moore*

## Guidance

During 1996, the Board continued to develop its technical support services for pension practitioners, and its guidance services for trustees. In the area of technical support, as the Pensions Act and its Regulations override individual scheme rules where necessary, it is important that scheme administrators and their professional advisers ensure that the legislation and The Pensions Board guidance to which

### Mission Statement

To promote the security of occupational pensions by:

Providing authoritative guidance to trustees and scheme administrators on compliance with the Pensions Act and on good practice generally in relation to scheme administration, and by encouraging appropriate trustee training.

they refer are kept fully up-to-date. Guidance Notes on Compulsory and Voluntary Reporting to The Pensions Board were issued by the Board in 1996, in addition to those already available.

#### THE TECHNICAL SUPPORT SERVICES:

##### Legislation Service

The Pensions Board provides a Legislation Service which is available by subscription. Subscribers to this service receive the consolidated texts of the Pensions Act and the Act's Regulations, including all amendments made to date. The text of the legislation is made available in loose-leaf format in a binder, which facilitates regular updating. There are currently 146 subscribers to this service.

##### Guidance Notes

This service is designed mainly for pension practitioners and provides detailed guidance on various parts of the Pensions Act and its Regulations, especially in those areas which override the Trust Deed and Rules of the scheme. Subscribers to the service receive updates to take account of any legislative changes.

Guidance Notes are currently available on:

- **Preservation of Benefits**  
(Part III of the Pensions Act and Regulations S.I. No. 445 of 1992, S.I. No. 217 of 1993 and S.I. No. 76 of 1997).  
Currently 233 subscribers.
- **Disclosure of Information**  
(Part V of the Pensions Act and Regulations S.I. No. 215 of 1991).  
Currently 270 subscribers.
- **Member Participation in the Selection of Trustees**  
(Part VI of the Pensions Act) (Section 62) and Regulations S.I. No. 376 of 1996).  
Currently 587 subscribers.
- **Equal Treatment for Men and Women**  
(Part VII of the Pensions Act and Regulations S.I. No. 365 of 1992).  
Currently 417 subscribers.
- **Compulsory and Voluntary Reporting to The Pensions Board**  
(Part VIII of the Pensions Act).  
Currently 384 subscribers.

Professional guidance is provided by the Society of Actuaries to its members on the application of the funding standard. The professional accountancy bodies also provide supplementary guidance to their members on auditing scheme annual accounts in accordance with the disclosure of information requirements.

The Board has included more general guidance on the responsibilities of trustees in relation to the funding standard in the *Trustee Handbook*.

##### Guidance on other Legislation

Detailed Guidance Notes on the application of the pension provisions of the Family Law Act, 1995 and the Family Law (Divorce) Act, 1996 are available by subscription from the Board.

The Board established a working group to assist the Retirement Benefits District of the Revenue Commissioners with the consolidation and revision of the Revenue Practice Notes which govern the tax treatment of occupational pension schemes. This task was completed in 1996 and resulted in a comprehensive Revenue Pensions Manual which is available from the Retirement Benefits District.

## Availability of Guidance Notes

By the end of 1996, a comprehensive range of technical guidance was available on the main legislative requirements with which occupational pension schemes have to comply. As in the case of the Legislation Service, the Guidance Notes are all made available to subscribers in a loose-leaf format in a binder to facilitate updating on a regular basis.

## Interpretations and Determinations

During 1996, the Board continued to provide, on request, interpretations of the Act in particular circumstances. It also issued, on application, a number of determinations in exercise of its powers to determine specified questions under various Parts of the Act.

### GUIDANCE SERVICES PROVIDED BY THE BOARD:

Trustees have overall responsibility under the Pensions Act for the administration of schemes. Accordingly, the main statutory functions of The Pensions Board, as set out in Section 10(1) of the Pensions Act, include:

- providing guidance for trustees on their duties and responsibilities in relation to scheme administration;
- issuing codes of practice on specific aspects of trustees' duties;
- advising the Minister for Social Welfare on standards for trustees and their implementation.

A *Trustee Handbook* incorporating codes of practice for trustees, which has been prepared by the Board, will make a major contribution to the discharge of the Board's functions in these areas.

The *Handbook*, to be issued shortly, will be available in loose-leaf format by subscription, and subscribers will receive updates where these are required as a result of legislative or other changes.

## Trustee Training

A list of training courses for trustees has been compiled by the Board and is available to all enquirers on request. The course providers are only included on this list when they have satisfied the Board on the content of their training course. As indicated in its last report in 1996, the Board began a more detailed



evaluation process of the courses being provided. This involved Pensions Board staff attending the courses as observers. Continued inclusion on the Board's approved register will depend on the outcome of these evaluations.

Sylvia O'Mahony,  
Mary Hutch,  
Geraldine Slattery and  
Catherine Goulding

It is intended to commission training course material e.g. videos, slides etc. based on the *Trustee Handbook* and, where appropriate, the Guidance Notes, which will generally be made available to trustee training course providers.

It is also intended to carry out regular surveys of subscribers to the *Trustee Handbook* with a view to establishing whether and to what extent trustees have received appropriate training.

It should be possible for trustees who are member trustees to obtain paid time off from their employers, within reason, to avail of suitable training. Informal enquiries carried out by the Board in 1996 indicated that, whilst some real difficulties may exist in some areas, significant or widespread difficulties do not in general exist in relation to provision of paid time off for trustee training. As part of the survey referred to above, as well as in its on-

going enquiry/complaint service, The Pensions Board will continue to monitor the position.

The cost of trustee training usually involves full expenses for the course and travel, and the cost of the time off from employment etc. to attend the course. The costs involved may be met in full by the employer(s) sponsoring the scheme. If the costs are not met by the employer, the Pensions Act provides that, notwithstanding



*Maria  
Bennett,  
Receptionist*

anything contained in the rules of the scheme, reasonable costs and expenses incurred in receiving trustee training may be met from the resources of the scheme.

## Information

### Information Booklets

One of the main concerns of The Pensions Board has been to encourage members to use their rights to information under the Pensions Act, both to monitor the administration and financial soundness of their scheme and to become fully aware of the level and range of their own benefit entitlements. To that end, the Board has produced a series of Information Booklets on the Pensions Act, The Pensions Board, members' rights under the Act, and other relevant pensions legislation. These Booklets are available free of charge from the Board.

Additional Booklets were prepared in 1996 for issue in Spring 1997. These are as follows:

*A Guide to Your Scheme's Annual Report* - designed to encourage members to know when the report should be due, and to read and understand its contents.

*A Brief Guide to Pensions* - designed to enable members to understand the scheme booklet and benefit statements and, in particular, to distinguish between defined benefit/defined contribution schemes and how they are financed, to know the likely level of their pension cover, and whether and/or to what extent there is provision for indexation, and cover for surviving dependants.

*What Happens If My Scheme is Wound Up?* - the Board receives a lot of queries regarding benefit entitlements when a scheme is being wound up, particularly if there is a deficit. The booklet on this subject explains the main features of winding up, the priorities under Section 48 of the Pensions Act, the type of information that members are entitled to receive and the timescale within which this information should be made available.

*A Brief Guide to the Pension Provisions of the Family Law Acts* - designed to provide information to a person who is seeking, or has obtained, a pension adjustment order. It will also be of interest to those involved with the operation of pension schemes, such as scheme trustees.

The distribution and advertising network for the Booklets has been further broadened to ensure that they are available to as many as possible of those involved with occupational pensions. A complete list of the Board's Information Booklets is given in Appendix III.

### Mission Statement

To promote the security of occupational pensions by:

Making a wide range of information on members' rights under the Pensions Act readily available to scheme members and other interested parties and by encouraging members to use these rights to assist in safeguarding their pension entitlements.

### Information Presentations

During 1996, the Board's Information Unit gave a number of presentations to union and employer personnel, among others. Amongst matters covered in the presentations were the main features of the Pensions Act, 1990, the Pensions (Amendment) Act, 1996, and other legislation affecting pensions.

### Internet

The Board arranged for access to the Internet during 1996 and is currently setting up a Home Page Site for its Information Booklets and other publications. This reflects the Board's recognition of the Internet as a new method through which information and advice on pension matters can be communicated to interested parties, including those people who may be without pensions, such as new technologically-oriented entrants to the workplace.

### Enquiry Service

The Board's Enquiry Service deals with enquiries received from scheme members and their dependants, prospective members,

trustees, trade unions, employers and company employees with personnel, industrial relations and/or pay functions. Enquiries, some of a more technical nature, are also received from pension practitioners and professional bodies. Those that are straightforward are dealt with by telephone or by the issue of a written response and/or an appropriate Information Booklet.

**Table 1 Category of Enquirers**

Enquirer	1996		1995	
	Number	%	Number	%
Active Member	475	29	405	32
Pensioner	65	4	28	3
Trade Union	46	3	16	1
Company/Employer	85	6	73	6
Trustee	67	4	111	9
Pension Practitioner	488	30	405	32
Other	389	24	209	17
<b>Total</b>	<b>1,615</b>	<b>100</b>	<b>1,247</b>	<b>100</b>

Where scheme members report problems in relation to the administration of their scheme, their own personal pension entitlements or in obtaining information requested from their scheme, the Board's staff in the first instance normally advise them of their rights and direct them to a contact person in their scheme. The Board's policy is that as many queries and complaints as possible should be directed back to the pension schemes, and resolved without the direct involvement of the Board.

A statistical analysis of enquiries dealt with during 1996, along with an historical comparison for 1995, is shown in TABLES 1 and 2. As can be seen, 1996 was an extremely busy year in the enquiries area, involving 1,615 written and telephone enquiries/complaints, an increase of 30% on 1995. This does not include a number of enquiries of a routine nature on registration and fee collection.

TABLE 1 gives details of enquiries on an enquirer category basis. These show that more than one-third of the enquiries received were from scheme members, pensioners and trade unions representing members combined. The next main group of enquirers, pension practitioners, included pension consultants, life company

personnel, lawyers and accountants. Included under the heading 'Other' are media, social welfare recipients, research students, and the general public. As can be seen, the composition of enquirers remained broadly unchanged compared to 1995.

TABLE 2 gives an analysis of the enquiries received under each Part of the Pensions Act,

**Table 2 Nature of Enquiries**

Nature of Enquiry	1996		1995	
	Number	%	Number	%
Establishment of Board	288	16	0	0
Preservation	77	4	110	8
Funding Standard	32	2	288	22
Disclosure	681	38	378	28
Trustee Duties	143	8	137	10
Equal Treatment	33	2	25	2
Compulsory Reporting	1	0	0	0
Other Enquiries	534	30	389	30
<b>Total</b>	<b>1,789</b>	<b>100</b>	<b>1,327</b>	<b>100</b>

1990. As in 1995, the largest number of enquiries related to the disclosure of information. Enquiries in relation to the Board's Guidance Notes and publications, which were previously recorded under the heading 'Other', are now included under the heading 'Establishment of Board'. The heading 'Other Enquiries' includes matters which relate to the application of general trust law, and others which do not come under the Board's strict remit i.e. personal pension plans, social welfare entitlements, permanent health insurance and Revenue requirements. This latter category also includes requests from students for information for thesis research.

## Disclosure of Information

The Pensions Board places a particular onus on the trustees of schemes to ensure that information is made available to members promptly and in a form that is comprehensive and easy to understand. In 1996, as in previous years, most enquiries received by the Board were from members who were having difficulty in obtaining information about their scheme and, in particular, about their individual pension rights. In many cases they also needed guidance as to what rights they had to such information under the disclosure of information requirements.

## Monitoring

During 1996, the Board continued its activities of monitoring the administration of occupational pension schemes. The main components of these activities, on which more detailed information is provided below, were:

- registration of schemes;
- conduct of investigations;
- implementation of funding standard;
- disclosure compliance strategy.

### REGISTRATION OF SCHEMES

A total of 6,907 new schemes were added to the register during 1996, of which 6,216 were one-member schemes.

TABLES 3 and 4 show the number of schemes which provide retirement benefits registered with the Board at the end of December 1996, (excluding additional voluntary contribution and death benefit only schemes) and the corresponding number of active members of these schemes. The total active membership is 501,400.

The tables show that the number of defined benefit schemes registered has increased by 153 over the year, with the corresponding number of active members covered increasing by 6,735. The number of defined contribution schemes increased by 5,696, and the corresponding number of active members covered increased by 9,785. Of these, 5,238 were one-member schemes, and these constitute the vast majority of new schemes registered during the year.

Table 3 Current Schemes – Defined Benefit\*

Scheme Size	Number of Schemes		Number of Members	
	December 1996	December 1995	December 1996	December 1995
One Member	191	145	191	145
2 – 50	1,484	1,390	24,012	23,140
51 – 100	230	227	16,628	16,428
101 – 500	307	299	69,620	68,156
501 – 1,000	38	36	25,880	24,413
1,001 +	40	40	276,310	273,624
<b>Total</b>	<b>2,290</b>	<b>2,137</b>	<b>412,641</b>	<b>405,906</b>

\* excluding AVC and Death Benefit Only Schemes

Notwithstanding the apparent trend towards defined contribution schemes, defined benefit schemes still account for more than twice the total active membership of defined contribution schemes in the private sector and the commercial state-sponsored sector. In December 1996, there were 208,500 active members in defined benefit schemes which are subject to the funding standard, as against 88,759 active members in defined contribution schemes.

### Mission Statement

To promote the security of occupational pensions by:

monitoring and supervising the administration of occupational pension schemes and, where necessary, enforcing compliance with the Pensions Act through the Courts.

The majority of members are in schemes which are fully pre-funded. These include all members of defined contribution schemes and most members of defined benefit schemes.

TABLES 5 and 6 give a breakdown of the defined benefit schemes providing retirement benefit cover, as between schemes which are financed fully on a pre-funded basis (TABLE 5), and those financed partially or fully on a pay-as-you-go basis (TABLE 6). The schemes in TABLE 5 are subject to the funding standard in the Pensions Act, 1990. Those in TABLE 6 are excluded from the application of the funding standard by

Table 4 Current Schemes – Defined Contribution\*

Scheme Size	Number of Schemes		Number of Members	
	December 1996	December 1995	December 1996	December 1995
One Member	42,455	37,217	42,455	37,217
2 – 50	5,689	5,247	33,398	30,715
51 – 100	74	66	5,153	4,590
101 – 500	43	35	7,753	6,452
501 – 1,000	0	0	0	0
1,001 +	0	0	0	0
<b>Total</b>	<b>48,261</b>	<b>42,565</b>	<b>88,759</b>	<b>78,974</b>

\* excluding AVC and Death Benefit Only Schemes

Regulations because, as public sector schemes, the benefits are, or may be, paid in whole or in part out of monies provided from the Central Fund or by the Oireachtas.

**Table 5** Defined Benefit Schemes subject to the Funding Standard

Scheme Size	Number of Schemes December 1996	Number of Members December 1996
One Member	190	190
2 – 50	1,459	23,577
51 – 100	221	16,009
101 – 500	292	65,565
501 – 1,000	35	23,972
1,001 +	23	79,187
<b>Total</b>	<b>2,220</b>	<b>208,500</b>

**Table 6** Defined Benefit Schemes excluded from the Funding Standard

Scheme Size	Number of Schemes December 1996	Number of Members December 1996
One Member	1	1
2 – 50	25	435
51 – 100	9	619
101 – 500	15	4,055
501 – 1,000	3	1,908
1,001 +	17	197,123
<b>Total</b>	<b>70</b>	<b>204,141</b>

#### CONDUCT OF INVESTIGATIONS General

Arising from enquiries/complaints received, 155 scheme investigations were carried out in 1996 in relation to non-compliance with the Pensions Act. This compares with 149 during 1995. At the year end, there were 42 cases outstanding (compared with 25 in 1995).

Of the cases completed during the year, in all but one, compliance was achieved without recourse to legal action. It was necessary to prosecute the trustees of one scheme for failure to comply with the provisions of the Act; the prosecution was successful.

In eleven cases it was considered that the enquiry/complaint received was of such a serious nature that an investigation was authorised under the special investigatory powers of Section 18 of the Act.

#### Compulsory and Voluntary Reporting

By means of the Pensions (Amendment) Act, 1996, which came into effect from 2 July 1996, new statutory provisions were introduced dealing with compulsory and voluntary reporting to The Pensions Board.

The underlying intention of these provisions, which have become known as the whistle-blowing provisions, is to protect the interests of scheme members. These provisions place a mandatory requirement on a range of specified persons involved in the operation of pension schemes to report suspected fraud or material misappropriation to the Board. This specified range includes auditors, actuaries, trustees, insurance intermediaries, investment advisers and any other person who has been involved in assisting the trustees of a pension scheme. The provisions also contain legal protection for persons making such mandatory reports, as well as for persons making voluntary reports on any matter concerning the state and conduct of a scheme.

From the date of enactment to the year end, the Board received three reports under these provisions. One case was referred to the Garda Bureau of Fraud Investigation and the other two cases are, at time of writing, under investigation by the Board under Section 18 of the Act.

#### IMPLEMENTATION OF FUNDING STANDARD Actuarial Funding Certificates

Under the funding standard provisions of the Pensions Act, 1990, defined benefit schemes established before 1 January 1991 were required to be fully funded in respect of post-1991 pension rights from the outset, and also to ensure that all pension rights, including pre-1991 rights, are fully funded prior to 1 January 2001.

The first actuarial funding certificate must certify, for those not in receipt of benefits, the degree of funding achieved in respect of accrued benefits relating to service prior to 1 January 1991. The term used for this is the 'specified percentage'. Schemes are then required to certify, in the case of subsequent actuarial funding certificates with an effective date of not later than 31 December 2000, that the specified percentage has not reduced in the

meantime below the percentage initially certified.

Schemes established on or after 1 January 1991 are required to submit to The Pensions Board an actuarial funding certificate which has an effective date not later than 3½ years after the commencement of the scheme. Trustees must continue to submit actuarial funding certificates at 3½ yearly intervals for as long as the scheme retains any defined benefit liabilities.

Relevant schemes are contacted by the Board by letter both six months and then again, if necessary, three months in advance of the date on which a funding certificate becomes due to be filed to remind schemes of their obligations in this regard. In the event of the certificate not being filed by the due date, action is taken to enforce compliance.

In the course of 1996, of the 2,220 defined benefit schemes subject to the funding standard (see TABLE 7), the Board dealt with 81 cases of non-compliance. Of these, compliance had been achieved by year end in 71 cases as follows:

- 53 schemes by issue of letter(s) pursuing compliance;
- 11 schemes in respect of which a direction under Section 50 of the Pensions Act was issued, to reduce benefits to a level which satisfied the funding standard;
- 4 schemes from which funding proposals were received under Section 49 of the Pensions Act, 1990;
- 3 schemes in respect of which modifications of the minimum funding standard requirements were granted under Section 42(5) of the Pensions Act, 1990.

As a result, by year end, compliance was still being pursued in relation to the remaining 10 schemes.

TABLE 7 sets out the number of schemes on the Board's register as at 31 December 1996 which are subject to the funding standard. It shows that 86% of schemes involved had submitted actuarial funding certificates, covering some 96% of the membership.



*Adrian Smith,  
Sinead Crilly and  
Aideen Bugler*

#### DISCLOSURE COMPLIANCE STRATEGY

As indicated in its last Annual Report, the Board obtained the assistance of consultants during early 1996 in the preparation of a compliance and enforcement strategy for disclosure of information requirements. Following detailed consideration, based on the consultants' report, the Board adopted a disclosure compliance strategy in the latter part of 1996. This strategy will entail 170-200 schemes being selected and targeted each year, over the coming years, for audit in relation to compliance with the disclosure Regulations. The implementation of this compliance and enforcement strategy will commence in mid-1997.

**Table 7 Compliance with the Funding Standard as at 31 December 1996**

Scheme Size	DB schemes subject to the Funding Standard		Funding Certificates Received		Funding Certificates Outstanding		Other*	
	Number of Schemes	Number of Members	Number of Schemes	Number of Members	Number of Schemes	Number of Members	Number of Schemes	Number of Members
One Member	190	190	112	112	—	—	78	78
2 – 50	1,459	23,577	1,264	21,204	8	127	187	2,246
51 – 100	221	16,009	205	14,926	1	99	15	984
101 – 500	292	65,565	275	62,946	1	124	16	2,495
501 – 1,000	35	23,972	35	23,972	—	—	—	—
1,001 +	23	79,187	22	78,139	—	—	1	1,048
<b>Total</b>	<b>2,220</b>	<b>208,500</b>	<b>1,913</b>	<b>201,299</b>	<b>10</b>	<b>350</b>	<b>297</b>	<b>6,851</b>

\* The requirement for these schemes to file an actuarial funding certificate does not arise until after 31 December 1996.

**T**he Board plays an ongoing role in providing advice to the Minister for Social Welfare.

As identified in the corresponding section of earlier Annual Reports, this advice falls into the three broad categories of:

### Mission Statement

To promote the further development of pensions in Ireland through the provision of:

policy guidance and advice aimed at encouraging the wider application of adequate, secure, flexible and cost efficient pensions to meet the challenge in the coming decades of pension provision for an ageing population.

- amendments, of a technical or policy nature, to the Pensions Act and its Regulations;
- proposals for other legislation, at either national or EU level, applicable to occupational pension schemes;
- policy on overall national pension provision.

During 1996, the Board was involved in the provision of advice in all three areas.

### Pensions (Amendment) Act, 1996

As mentioned in the Annual Report, 1995, the Board provided policy and technical advice to the Minister for Social Welfare in the preparation of this legislation prior to its publication on 14 December 1995.

The Board assisted the Minister and his Department, during the Bill's progress through both Houses of the Oireachtas, by the provision of advice, mainly of a technical nature. This included, for example, advice on a number of amendments to Section 34 (Compulsory and Voluntary Reporting to the Board) of the Bill as published. The Bill became law on 2 July 1996.

The provisions of the new legislation, at Bill stage, were outlined in last year's Annual Report (under 'Protection for Scheme Members'). The amendments made to the Bill on passage through the Houses of the Oireachtas did not significantly alter the substance of the provisions in the Bill as published. Essentially, the Act contained a range of amendments, of a technical nature, to the existing provisions of the Pensions Act, 1990, from Section 2 to Section 80 as well as to its three Schedules, as well as substantive new provisions relating to compulsory and voluntary reporting to The Pensions Board of suspected fraud and material misappropriation in occupational pension schemes.

### Regulations (Member Trustees)

In early 1996, the Board submitted a report to the Minister based on a review of the operation of the Regulations on Member Participation in the Selection of Trustees, which made recommendations for a number of amendments designed mainly to clarify the procedures for appointment of trustees under the Regulations.

The recommendations were accepted, and the Occupational Pension Schemes (Member Participation in the Selection of Persons for Appointment as Trustees) (No. 3) Regulations, 1996 (S.I. No. 376 of 1996) were made in November 1996.

These Regulations replace Occupational Pension Schemes (Member Participation in the Selection of Persons for Appointment as Trustees) (No. 2) Regulations, 1993 (S.I. No. 399 of 1993).

Essentially, the new Regulations

- (i) clarify the statutory position regarding date and duration of appointment of member trustees and Chairperson of trustees, and
- (ii) empower The Pensions Board, where trust property is not otherwise transferred into the names of the member trustees as well as other trustees, to make a vesting order to this effect.

The purpose of (i) is to provide complete clarity regarding such appointments under the Regulations. In relation to (ii), it is hoped that in most cases appointment of member trustees will be made by Deed and that such Deeds will incorporate a vesting declaration. Where appointments are not made by Deed, it is expected that the existing trustees will normally co-operate in transferring the trust property into the names of all of the trustees, including the member trustees. However, if this does not happen, the new Regulations give the Board power to make a vesting order which would have the same effect as a vesting declaration in a Deed of Appointment.

It might be noted that the new Regulations also

- (iii) modify the exclusion of external schemes from the Regulations by making exclusion conditional on at least 20% of a scheme's members being external.

The other provisions remain as in the earlier Regulations.

### Regulations (early 1997)

Following consultation with the Board on its policy, as well as technical aspects, during the latter part of 1996, the following Regulations have also been made by the Minister:

- Occupational Pension Scheme (Family Law Act, 1995) Regulations, 1997  
(S.I. No. 64 of 1997);
- Occupational Pension Schemes (Revaluation) Regulations, 1997  
(S.I. No. 76 of 1997);
- Occupational Pension Schemes (Oral Hearing) Regulations, 1997  
(S.I. No. 77 of 1997);
- Pension Schemes (Family Law) Regulations, 1997  
(S.I. No. 107 of 1997).

### Equal Treatment for Men and Women

Based on Commission proposals for a Directive providing for amendments to Directive 86/378/EEC on Equal Treatment for Men and Women in Occupational Social Security schemes, an Amending Directive (or 'Post Barber' Directive, as it is called) was agreed at the meeting of the Council of Ministers for Social Affairs on 2 December 1996. The Directive is purely of a declaratory nature, and its main effect is to ensure that the provisions of the original Directive conform fully with the case law of the European Court in the Barber and related cases. The provisions of the new Directive must be transposed into national law by 1 July 1997.

At time of writing, this is being achieved by means of drafting Regulations under the European Communities Act, 1972, as amended. Under Section 3 of that Act, a Minister may make Regulations for enabling EU law, including Directives, to have full effect.

Part VII of the Pensions Act will be reviewed by the Board over its term of office.

### Policy Advice on Overall Pension Provision

As anticipated in the previous Annual Report, 1996 saw the beginning of a greater concentration on general policy matters than had previously been the case. Addressing the new membership of the Board at its meeting of 12 January 1996 the Minister drew attention to a number of issues which he felt warranted consideration. In early 1996, to advance this policy dimension of its activities, the Board established a Policy Committee, widely representative of the composition of the full Board, with an initial remit to formulate a prioritised programme of policy matters to be considered during the term of office of the present Board.

In the light of issues identified by the first members of the Board as meriting consideration, together with issues arising during the passage of the Pensions (Amendment) Act, the Minister

for Social Welfare wrote to the Chairperson of the Board in July 1996 setting out a broad range of policy matters which he wished the Board to consider over the coming years. Taking these and other items felt to warrant attention into account, the Policy Committee, in the latter part of 1996, finalised a comprehensive and prioritised Policy Programme of items to be considered within the present term of office.

Pensions Policy Initiative' in this report is devoted to a detailed exposition of the Initiative.

While this Initiative will, in its final report and recommendations to the Minister, cover the major aspects of national pension policy, other items in the Board Policy Programme will be given separate consideration. These include:

- review of minimum funding standard;
- treatment of surpluses and deficits;
- review of regulation and information requirement for defined contribution schemes;
- the question of a Pensions Ombudsman.



*Edel Stenson,  
Ian Woods and  
Anne Maher*

This Policy Programme 1996-1998 was adopted by the full Board. By the end of 1996 a number of its component items had been considered, and reports were submitted to the Minister in early 1997.

The most important element of the Policy Programme to be initiated in 1996, in conjunction with the Department of Social Welfare, was the National Pensions Policy Initiative. The Initiative arose from a recognition in the Board, shared by the Minister, that there was a need for a major and informed public debate on national pensions policy for the future. On the recommendation of the Board, the detailed approach under Stages 1 and 2 of the Initiative was launched by the Minister on 30 October 1996 at the time of the publication of the ESRI Report on Occupational and Personal Pension Coverage 1995. During the remainder of 1996, a significant expenditure of effort and resources within the Board, assisted by consultants, was devoted to preparing the Consultation Document which was ultimately launched on 13 February 1997. The article entitled 'The National

The Policy Programme will also incorporate, to the extent they are not covered in the Initiative, the following pension issues referred to in 'Partnership 2000' (paragraph 4.37 of that document) which the Minister has also asked the Board to examine:

- abolition of front-end loading commissions;
- indexation of pensions in payment;
- offering a choice of a fixed pension or a lower indexed pension to all annuity recipients and defined contribution scheme recipients;
- provision of a Certificate of Reasonable Expectation by the providers of defined contribution schemes.

To the extent that recommendations arising from the Policy Programme, if accepted by the Minister, require legislation, this could take the form of a further Pensions (Amendment) Bill to be introduced towards the end of the term of office of the present Board members.

## The National Pensions Policy Initiative

**T**he National Pensions Policy Initiative was launched by the Minister for Social Welfare in October 1996. The Initiative is jointly sponsored by the Department of Social Welfare and The Pensions Board.

### Background

The pensions debate in Ireland goes back for over twenty years. The sequence of events has been:

- a Green Paper on National Income Related Pension Schemes in 1976;
- the establishment of the advisory National Pensions Board in 1986;
- the passing of the Pensions Act, 1990 and establishment of The Pensions Board on foot of that Act;
- the Final Report of the National Pensions Board entitled '*Developing the National Pension System*' in 1993;
- the ESRI Report on Occupational and Personal Pension Coverage 1995 which was published in October 1996.

In 1993, the National Pensions Board, in its Final Report, set out the aim that there should be a national pensions system providing pension benefits which would maintain a reasonable relationship with previous income levels, so that the standard of living could be maintained. The Report did not make specific recommendations as to how income-related pension coverage should be extended.

Following this Report, there was a good deal of talk about 'the pensions time-bomb' and there was growing awareness that there was a need to look carefully and in some detail at the current state of pensions and what might need to be done to address the impact of future demographic and other changes. In this context, Ireland, by virtue of the combination of its demographic structure and the design of its pension arrangements, is in a better position than most countries. There is no basis for alarm about an imminent financing shortfall in any area of pension provision.

One of the recommendations of the National Pensions Board was that a survey of occupational pension schemes should be carried out to establish the extent and level of pension coverage. The last survey related to 1985 and it was essential that up-to-date information should be available. Accordingly, the Department of Social Welfare and The Pensions Board jointly commissioned a report from the Economic and Social Research Institute in 1995. This ESRI Report was published on 30 October 1996.

### ESRI Report on Occupational and Personal Pension Coverage

The ESRI Report shows that only 46% of those at work in 1995 were covered by an occupational pension scheme. The coverage rate for employees is 52%, a fall of 2% since 1985. Self-employed people were shown to have a considerably lower coverage rate than employed people, at 27%.

Particular gaps in coverage highlighted by the ESRI survey are in relation to:

- part-time staff and/or temporary staff, where less than 10% overall are shown as covered;
- employees of firms with less than 50 employees where only 16% are shown as covered;
- female employees, where coverage is 15% less than for male employees, partly as a result of the greater extent of atypical employment and historically different attitudes to pensions.

The overall message of the ESRI Report was that it identified significant segments of the population for whom little or no formal pension provision, apart from the basic State scheme, exists. While formal pension provision is clearly not the only means of retirement income provision, Ireland needs to ensure, as a key element of social policy, that the overall arrangements result in a reasonable standard of provision for all older people.

## The Initiative

There were a number of possible approaches towards achieving the best pension system for the country. After a good deal of consideration and discussion, the Department of Social Welfare and The Pensions Board agreed to jointly sponsor the National Pensions Policy Initiative. The purpose of this is to facilitate a widely-based debate on how to work towards the best national pension system for Ireland. The Initiative does not extend to detailed consideration of either the State pension benefit structures, or pension entitlement in the public sector. An actuarial review of the long-term financial implications of 'State pensions' was instigated by the Department of Social Welfare, while in mid-1996, a Commission on Public Service Pensions started to examine the unfunded pension arrangements for the Public Service.

In the recent agreement between the Government and the Social Partners, entitled '*Partnership 2000*', the National Pension Policy Initiative was formally endorsed.

The Initiative is being undertaken in two stages. The first stage involved the production of a Consultation Document, which formed the basis for general discussion amongst all interested parties and requested submissions from these parties. It was circulated widely, not just to the representative bodies which are currently active in pensions.

The second stage of the Initiative involves:

- processing and analysis of responses to the Consultation Document;
- critical reviewing of selected pension models from other countries, relating these to Ireland, and development of a suitable Irish option;
- preparation of a report, including the formulation of a recommendation for the best pension system to suit Ireland, from The Pensions Board to the Minister for Social Welfare.

After its announcement on 30 October 1996 the timings for the Initiative are:

- issue of the Consultation Document on 13 February;
- responses to the Consultation Document by 30 May;
- presentation and discussion of responses at a national pensions conference organised by The Pensions Board and the Department of Social Welfare on 2 July;
- processing, analysis and formulation of recommendations completed by end autumn;
- presentation of the Report from The Pensions Board to the Minister for Social Welfare at end autumn 1997.

## The Consultation Document

The Document took account of the ESRI Report together with other published material, including the Final Report of the National Pensions Board. It did not present new research findings, nor seek to draw conclusions or set out a reform package. It:

- discusses the goals and objectives which a national pension system could be designed to achieve;
- outlines the current strands in retirement provision in Ireland today and summarises how well the population is covered by them;
- raises some practical issues on delivery, quality and efficiency;
- outlines social and other changes which can be expected to have a bearing on pension provision;
- covers a number of financial aspects of pensions and issues of sustainability;
- describes the situation in other countries where there may be points of relevance to Ireland;
- sets out the main lines of approach which could be considered to develop the current position and points to some of the consequences these would raise.

The Document tries to achieve its purpose by identifying the key issues, and other questions, which need to be addressed in order to plan for the future.

## Key Issues

The most vital issues which were identified are as follows:

- overall objectives for national pensions policy need to be agreed, and clearly expressed. Achieving this is a fundamental part of the Initiative and, in particular, the goals that emerge should be expressed in terms of ends, not means;
- suggestions are needed on what new incentives or initiatives might encourage increased coverage, and at whom these should be targeted or sought. Whilst the facts of coverage are known, the reasons for 'non-coverage' have not yet been adequately researched. Some employers may pay above average salaries and expect staff to make their own arrangements. Many small employers say there is no demand or that they cannot afford it. However, individuals can always effect their own plans and the reasons why they do not are unknown. Some people may already feel provided for by their spouse's pension plan, or regard other assets, such as their business, as sufficient provision. Others simply may not be able to afford to forego income right now;
- the role of the State needs to be re-examined and agreed in the context of whether the State should be more proactive in future. The current role of the State in pension provision is confined to the financing and administration of the Social Welfare Pension Scheme and public sector benefits, and to providing a legislative, fiscal and supervisory framework within which private sector pensions can operate. At a minimum, the Initiative sees the State taking a clear lead in determining overall policy for State and private pension provision;

- whether Ireland should have a voluntary or a mandatory approach to private pension provision. Ireland has a voluntary private pension system which has achieved coverage levels of about 40% in the private sector and over 80% in the public sector. These penetration levels are very similar to those in other countries which have moderate levels of State pension support. There are attractions to a voluntary system and there are attractions to a mandatory system, but there are also disadvantages in both systems.

## The Principal Alternatives

The Initiative identified six main possible alternatives to the present pension system. These are:

- improvements to the First Pillar;
- improvements to the Second Pillar;
- a State Earnings Related Scheme;
- mandatory occupational pension cover;
- industry-wide pension schemes;
- personal retirement accounts.

Each of these would have different direct and indirect consequences, and some can also be adapted or combined with others or with elements of others.

## Conclusion

There has been wide response to the Initiative from many different sources, showing a recognition of the importance of pensions to everyone and also creating an opportunity to influence future national pensions policy.

The Pensions Board will now use the input which it has received to produce a practical and viable proposal on future national pensions policy. This is likely to be the most important policy task which the present Board will carry out during its term of office, and it will affect not only this generation but the future well-being of the country.



Anne Maher,  
Chief Executive,  
The Pensions Board

# Report of the Comptroller and Auditor General

**I** have audited the financial statements on pages 29 to 40.

## Responsibilities of the Board and of the Comptroller and Auditor General

The accounting responsibilities of the Board are set out in the Statement of Board Responsibilities on page 29. It is my responsibility, under Section 22 of the Pensions Act, 1990, to audit the financial statements presented to me by the Board and to report on them. As the result of my audit, I form an independent opinion on the financial statements.

## Basis of Opinion

In the exercise of my function as Comptroller and Auditor General, I plan and perform my audit in a way which takes account of the special considerations which attach to State bodies in relation to their management and operation.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate, consistently applied and adequately disclosed.

My audit was conducted in accordance with auditing standards which embrace the standards issued by the Auditing Practices Board and in order to provide sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. I obtained all the information and explanations that I required to enable me to fulfil my function as Comptroller and Auditor General including a representation by management of the valuation of fees to be taken as income for the year under review. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In my opinion, proper books of account have been kept by the Board and the financial statements, which are in agreement with them, give a true and fair view of the state of the Board's affairs at 31 December 1996 and of its income and expenditure and cash flow for the year then ended.



John Purcell  
Comptroller and Auditor General

Treasury Block  
Dublin Castle

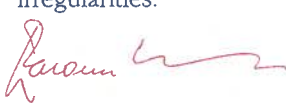
14 May 1997

## Statement of Board Responsibilities

Section 22(1) of the Pensions Act, 1990, requires the Board to prepare financial statements in such form as may be approved by the Minister with the concurrence of the Minister for Finance. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Board will continue in operation.

The Board is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Board and which enable it to ensure that the financial statements comply with Section 22(1) of the Pensions Act. The Board is also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Eamonn P. Heffernan  
CHAIRPERSON



Robert T. R. Woods  
BOARD MEMBER

2 May 1997

## Statement of Accounting Policies

The following are the more important policies used by the Board.

### (A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the accruals method of accounting and under the historical cost convention in the form approved by the Minister for Social Welfare with the concurrence of the Minister for Finance in accordance with Section 22(1) of the Pensions Act, 1990.

Financial Reporting Standards recommended by the recognised Accountancy Bodies are adopted as they become operative.

### (B) FEE INCOME

Fee income comprises the receivable for the year to 31 December in respect of occupational pension schemes as laid down in Regulations made by virtue of Section 25 of the Pensions Act, 1990. The amount of income accrued as receivable at the year end represents the Board's valuation of the amount of outstanding fees which is reasonably certain to be collected.

### (C) TAXATION

The Board is exempt from Corporation Tax under Section 41 of the Finance Act, 1991.

### (D) TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are shown at cost less accumulated depreciation. Depreciation is charged in the income and expenditure account, on a straight line basis, at the annual rates set out below, so as to write off the assets, adjusted for estimated residual value, over the expected useful life of each appropriate category.

(i)	Leasehold improvements	10%
(ii)	Computer equipment	25%
(iii)	Office furniture	12½%
(iv)	Office equipment	20%
(v)	Motor vehicle	20%

A full year's depreciation is provided for in the year of acquisition.

### (E) LEASES

#### (i) Finance Leases

Where an asset is acquired under a finance lease, the capital element is included in tangible fixed assets and the outstanding capital element of the leasing obligation is included in bank and other advances. The interest element is written off over the primary period of the lease.

#### (ii) Operating Leases

Rental payments are dealt with in the income and expenditure account in the year to which they relate.

### (F) SUPERANNUATION

All superannuation benefits to, or in respect of, employees of the Board are provided for through superannuation schemes.

Contributions required in respect of these schemes are dealt with in the income and expenditure account in the year to which they relate.

### (G) COMPLIANCE ENFORCEMENT RESERVE

As The Pensions Board is a statutory regulatory body charged with monitoring and enforcing compliance by scheme trustees with the provisions of the Pensions Act, 1990, it may be necessary for the Board, from time to time, to have recourse to legal action, in certain cases, in order to carry out its responsibilities in this regard. Such action would necessarily involve the Board in significant costs.

It is not possible to anticipate when such cases may arise or the resulting level of costs, but the Board considers it prudent to ensure that adequate resources are available and to spread such costs over the years.

Accordingly, an amount of IR£30,000 has been transferred from income and expenditure account to a compliance enforcement reserve account during 1996. Similar transfers will be made annually until such time as, in the opinion of the Board, a reasonable provision is arrived at and maintained.

## Income and Expenditure Account

FOR THE YEAR ENDED 31 DECEMBER 1996

	NOTES	1996 IR£	1995 IR£
<b>INCOME</b>			
Fee income	2	793,355	799,782
Other income	3	<u>53,935</u>	<u>38,970</u>
Total income		<u>847,290</u>	<u>838,752</u>
<b>EXPENDITURE</b>			
Salaries and related expenses	4	428,030	354,951
Board member fees and expenses		19,025	12,000
Accommodation and establishment expenses	5	99,128	95,541
Recruitment, training and education	6	28,435	5,967
Information, research and publicity		39,496	36,765
Consultancy and other professional fees	7	264,897	98,428
General administration	8	96,265	71,426
Depreciation	9	<u>35,029</u>	<u>26,552</u>
Total expenditure		<u>1,010,305</u>	<u>701,630</u>
<b>(DEFICIT)/SURPLUS FOR YEAR BEFORE TRANSFER TO COMPLIANCE ENFORCEMENT RESERVE</b>		(163,015)	137,122
<b>TRANSFER TO COMPLIANCE ENFORCEMENT RESERVE</b>	14	<u>(30,000)</u>	<u>(30,000)</u>
<b>(DEFICIT)/SURPLUS TRANSFERRED TO REVENUE RESERVE</b>	15	<u>(193,015)</u>	<u>107,122</u>

The Board has no gains or losses in the financial year or the preceding financial year other than those dealt with in the income and expenditure account.

The results for the year relate to continuing operations.

The statement of accounting policies and notes 1 to 19 form part of these financial statements.



Eamonn P. Heffernan  
CHAIRPERSON



Anne Maher  
CHIEF EXECUTIVE

2 May 1997

# Balance Sheet

AT 31 DECEMBER 1996

		1996		1995	
	NOTES	IR£	IR£	IR£	IR£
<b>FIXED ASSETS</b>					
Tangible assets	9		109,729		72,716
<b>CURRENT ASSETS</b>					
Debtors	10	126,059		119,451	
Cash at bank and on hand		<u>282,715</u>		<u>452,197</u>	
		<u>408,774</u>		<u>571,648</u>	
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year:					
Bank and other advances	11	68,253		—	
Other creditors	12	<u>92,569</u>		<u>123,668</u>	
		<u>160,822</u>		<u>123,668</u>	
<b>NET CURRENT ASSETS</b>			<u>247,952</u>		<u>447,980</u>
<b>TOTAL ASSETS</b>			<u>357,681</u>		<u>520,696</u>
<b>FINANCED BY</b>					
Compliance enforcement reserve	14	150,000		120,000	
Revenue reserve	15	<u>207,681</u>	<u>357,681</u>	<u>400,696</u>	<u>520,696</u>



Eamonn P. Heffernan  
CHAIRPERSON



Anne Maher  
CHIEF EXECUTIVE

2 May 1997

# Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 1996

	NOTES	1996		1995	
		IR£	IR£	IR£	IR£
Net cash inflow from operating activities	16		(197,242)		159,243
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>					
Interest received		27,241		20,029	
Rent received		—		1,480	
Interest paid		<u>(192)</u>		<u>(78)</u>	
<b>NET INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			27,049		21,431
<b>INVESTING ACTIVITIES</b>					
Purchase of tangible assets		(72,042)		(27,951)	
Proceeds of disposal of fixed assets		<u>4,500</u>		<u>—</u>	
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>			<u>(67,542)</u>		<u>(27,951)</u>
<b>NET CASH INFLOW (OUTFLOW) BEFORE FINANCING ACTIVITIES</b>			<u>(237,735)</u>		<u>152,723</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	17		<u>(237,735)</u>		<u>152,723</u>

# Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 1996

## 1. THE PENSIONS BOARD

The Board was established on 21 December 1990 and commenced operations on 10 January 1991, the date on which the Board held its first meeting.

## 2. FEE INCOME

	1996 IR£	1995 IR£
Fee income arising from the current year	793,355	744,948
Fee income arising from the previous year	–	26,971
Fee income arising for earlier years	–	27,863
	<u>793,355</u>	<u>799,782</u>

## 3. OTHER INCOME

	1996 IR£	1995 IR£
Rent and service charge	–	962
Publications	25,128	13,679
Interest income	23,548	24,329
Surplus on disposal of fixed asset	4,500	–
Miscellaneous income	759	–
	<u>53,935</u>	<u>38,970</u>

## 4. EMPLOYEE NUMBERS AND COSTS

The total staff complement as approved by the Minister at 31 December 1996 was 17 (1995 - 17). The average number of employees excluding contract staff in the Board during the year was 17 (1995 - 13). The aggregate employee and related costs were as follows:

	1996 IR£	1995 IR£
Salaries	363,217	291,913
Superannuation costs	50,406	46,346
Employers PRSI	10,847	6,006
Contract Staff	<u>3,560</u>	<u>10,686</u>
	<u>428,030</u>	<u>354,951</u>

# Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 1996

## 5. ACCOMMODATION AND ESTABLISHMENT EXPENSES

	1996 IR£	1995 IR£
Rent	62,797	62,267
Service charge	12,281	12,281
Rates	11,725	11,424
Electricity	4,612	3,967
Cleaning	4,393	4,095
General maintenance	3,320	1,507
	<u>99,128</u>	<u>95,541</u>

The Board occupies office premises at Holbrook House, Holles Street, Dublin 2, under a 20 year lease which commenced on 13 November 1991.

## 6. RECRUITMENT, TRAINING AND EDUCATION

	1996 IR£	1995 IR£
Recruitment	15,309	708
Training and Education	13,126	5,259
	<u>28,435</u>	<u>5,967</u>

## 7. CONSULTANCY AND OTHER PROFESSIONAL FEES

	1996 IR£	1995 IR£
Legal fees	172,317	67,228
Audit fees	3,100	3,300
Pensions/actuarial consultancy fees	37,983	12,929
ESRI Survey of Pensions Coverage*	—	10,000
Public Relations and Information	6,701	4,971
Management Consultancy	44,796	—
	<u>264,897</u>	<u>98,428</u>

\* This represents the Board's financial contribution to the cost of a national survey of occupational pension coverage jointly commissioned by the Minister for Social Welfare and the Pensions Board.

# Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 1996

## 8. GENERAL ADMINISTRATION

	1996 IR£	1995 IR£
Stationery and office expenses	31,269	21,066
Telephone and postage	22,915	15,830
Travel and subsistence	6,762	2,202
Insurances	1,807	3,383
Computer maintenance and consumables	32,372	28,431
Interest and charges	1,140	514
	<u>96,265</u>	<u>71,426</u>

## 9. TANGIBLE FIXED ASSETS

	Leasehold improvements	Computer equipment	Office furniture	Office equipment	Motor vehicle	Total
	IR£	IR£	IR£	IR£	IR£	IR£
<b>Cost or Valuation</b>						
At 1 January 1996	47,808	124,060	45,979	41,376	12,360	271,583
Additions in year	—	42,215	3,976	1,315	24,536	72,042
Disposals in year	—	—	—	—	(12,360)	(12,360)
At 31 December 1996	<u>47,808</u>	<u>166,275</u>	<u>49,955</u>	<u>42,691</u>	<u>24,536</u>	<u>331,265</u>
<b>Accumulated Depreciation</b>						
At 1 January 1996	23,294	110,587	21,987	30,639	12,360	198,867
Charge for year	4,781	15,624	6,244	3,473	4,907	35,029
Disposals in year	—	—	—	—	(12,360)	(12,360)
At 31 December 1996	<u>28,075</u>	<u>126,211</u>	<u>28,231</u>	<u>34,112</u>	<u>4,907</u>	<u>221,536</u>
<b>Net Book Value</b>						
At 31 December 1996	<u>19,733</u>	<u>40,064</u>	<u>21,724</u>	<u>8,579</u>	<u>19,629</u>	<u>109,729</u>
At 31 December 1995	<u>24,514</u>	<u>13,473</u>	<u>23,992</u>	<u>10,737</u>	<u>—</u>	<u>72,716</u>

## 10. DEBTORS

	1996 IR£	1995 IR£
Amounts falling due within one year:		
Fee income	100,000	100,000
Prepayments	24,069	13,768
Accrued interest receivable	1,990	5,683
	<u>126,059</u>	<u>119,451</u>

# Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 1996

## 11. BANK AND OTHER ADVANCES

	1996 IR£	1995 IR£
Amounts falling due within one year:		
Bank overdraft	68,253	-
	<u>68,253</u>	<u>-</u>

## 12. CREDITOR

	1996 IR£	1995 IR£
Amounts falling due within one year:		
Creditors	35,121	27,171
Accruals	55,903	58,744
Deferred income	1,545	37,753
	<u>92,569</u>	<u>123,668</u>

## 13. FINANCIAL COMMITMENTS

- (i) Capital Commitments  
There were no capital expenditure commitments at 31 December 1996 (1995 IR£nil).
- (ii) Finance Leases  
There were no commitments existing at the balance sheet date in respect of finance leases which had been entered into but which commenced after the year end.
- (iii) Operating Leases  
The Board had commitments payable in the next twelve months under non-cancellable operating leases as follows:

Lease of office accommodation at Holbrook House.	1996 IR£	1995 IR£
Expiring within one year	-	-
Expiring after one year and before five years	-	-
Expiring after five years	62,797	62,267
	<u>62,797</u>	<u>62,267</u>

- (iv) Superannuation  
The Pensions Board Staff Superannuation Scheme, 1993 and The Pensions Board Spouses' and Children's Contributory Pension Scheme, 1993 have been established, to take effect from 1 January 1991, in accordance with Section 17 of the Pensions Act, 1990.

Contributions in respect of these schemes are paid over to the Department of Social Welfare on the basis that benefits arising under the schemes will be met by that Department as and when they fall due.

# Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 1996

## 14. COMPLIANCE ENFORCEMENT RESERVE

	1996 IR£	1995 IR£
At beginning of year	120,000	90,000
Transfer in year	30,000	30,000
At end of year	<u>150,000</u>	<u>120,000</u>

## 15. REVENUE RESERVE

	1996 IR£	1995 IR£
At beginning of year	400,696	293,574
Transfer in year	(193,015)	107,122
At end of year	<u>207,681</u>	<u>400,696</u>

## 16. RECONCILIATION OF (DEFICIT)/SURPLUS FOR THE YEAR TO CASH FROM OPERATING ACTIVITIES

	1996 IR£	1995 IR£
(Deficit)/Surplus for the year	(193,015)	107,122
Adjustment for non operating items:		
Interest income	(23,548)	(24,329)
Disposal of fixed assets and rental income	(4,500)	(962)
Interest expense	200	17
Adjustment for non cash items:		
Depreciation	35,029	26,552
Increase in enforcement compliance provision	30,000	30,000
(Increase)/decrease in operating debtors	(10,301)	(13,004)
(Decrease)/increase in operating creditors	(31,107)	33,847
Cash inflow/(outflow) from operating activities	<u>(197,242)</u>	<u>159,243</u>

## 17. MOVEMENT IN CASH AND CASH EQUIVALENTS AND ANALYSIS OF BALANCES

	Cash at bank and in hand	Bank overdraft	Total
	IR£	IR£	IR£
At beginning of year	452,197	—	452,197
Cash movement	(169,482)	(68,253)	(237,735)
At end of year	<u>282,715</u>	<u>(68,253)</u>	<u>214,462</u>

## Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 1996

### 18. BOARD MEMBERS – DISCLOSURE OF TRANSACTIONS

The Board adopted procedures in accordance with the guidelines issued by the Department of Finance in relation to the disclosure of interests by Board members and these procedures have been adhered to by the Board during the year.

The Board from time to time engages the services of appropriately qualified outside consultants to undertake assignments to assist the Board in its work. Such contractual arrangements are subject to the normal tendering procedures which apply throughout the public service. The award of any particular project is a matter for decision by the Board having regard to the requirements of the work to be carried out.

Given the nature of its business, the Board may enter into contractual arrangements with undertakings in which Board members are employed or are otherwise interested.

During 1996, the Board incurred fees payable to third parties, including legal fees, in respect of professional services in the amount of IR£264,897 inclusive of VAT. This amount includes IR£13,310 which was paid in respect of five assignments carried out by Mercer Limited, a company of which two Board members, Mr. Eamonn P. Heffernan and Mr. James R. Kehoe are Directors. It also includes IR£3,630 which was paid in respect of an assignment carried out by KPMG, a firm in which one Board member, Mr. Robert T. R. Woods, is a Partner. It also includes IR£3,328 which was paid in respect of two assignments carried out by Irish Pensions Trust Limited, a company of which Mr. Alan Broxson, Board member, is a Director and Ms. Raymonde Kelly, Board member, is an employee.

### 19. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on 2 May 1997.

## Appendix I

### Legislation

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The Pensions Act, 1990, was enacted on 24 July 1990. Since then, it has been amended and a significant number of Regulations have been made under the Act, by way of Statutory Instruments.

The following is a list of relevant legislation to date.

#### Acts

Pensions Act, 1990	Number 25 of 1990
Social Welfare Act, 1991	Number 7 of 1991
Social Welfare Act, 1992	Number 5 of 1992
Social Welfare Act, 1993	Number 5 of 1993
Social Welfare (No. 2) Act, 1993	Number 32 of 1993
Pensions (Amendment) Act, 1996	Number 18 of 1996

#### Statutory Instruments

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Pensions Act, 1990 (Sections 60 and 61) (Commencement) Order, 1990	S.I. No. 329 of 1990
Pensions Act, 1990 (Parts III, IV and V) (Commencement) Order, 1990	S.I. No. 330 of 1990
Pensions Act, 1990 (Parts I and II) (Commencement) Order, 1990	S.I. No. 331 of 1990
Occupational Pension Schemes (Disclosure of Information) Regulations, 1990	S.I. No. 332 of 1990 <sup>*1</sup>
Pensions Act, 1990 (Part II) (Establishment Day) Order, 1990	S.I. No. 343 of 1990
Occupational Pension Schemes (Disclosure of Information) Regulations, 1991	S.I. No. 215 of 1991
Pensions Act, 1990 (Sections 59, 63 and 64) (Commencement) Order, 1991	S.I. No. 259 of 1991
Occupational Pension Schemes (Registration) Regulations, 1991	S.I. No. 325 of 1991
Occupational Pension Schemes (Funding Standard) Regulations, 1991	S.I. No. 371 of 1991 <sup>*2</sup>
Occupational Pension Schemes (Fees) Regulations, 1991	S.I. No. 372 of 1991
Occupational Benefit Schemes (Equal Treatment) Regulations, 1992	S.I. No. 365 of 1992
Pensions Act, 1990 (Part VII) (Commencement) Order, 1992	S.I. No. 366 of 1992
Occupational Pension Schemes (Fees) (Amendment) Regulations, 1992	S.I. No. 367 of 1992
Occupational Pension Schemes (Preservation of Benefits) Regulations, 1992	S.I. No. 445 of 1992
Occupational Pension Schemes (Member Participation in the Selection of Persons for Appointment as Trustees) Regulations, 1993	S.I. No. 216 of 1993 <sup>*3</sup>
Occupational Pension Schemes (Preservation of Benefits) (Special Calculations) Regulations, 1993	S.I. No. 217 of 1993

Occupational Pension Schemes (Member Participation in the Selection of Persons for Appointment as Trustees) (No. 2) Regulations, 1993	S.I. No. 399 of 1993 <sup>*4</sup>
Occupational Pension Schemes (Funding Standard) Regulations, 1993	S.I. No. 419 of 1993
Occupational Pension Schemes (External Schemes) (United Kingdom) Regulations, 1994	S.I. No. 238 of 1994
Occupational Pension Schemes (Funding Standard) (Amendment) Regulations, 1995	S.I. No. 273 of 1995
Occupational Pension Schemes (Member Participation in the Selection of Persons for Appointment as Trustees) (No. 3) Regulations, 1996	S.I. No. 376 of 1996
Occupational Pension Schemes (Oral Hearing) Regulations, 1997	S.I. No. 77 of 1997
Occupational Pension Schemes (Revaluation) Regulations, 1997	S.I. No. 76 of 1997
Pension Schemes (Family Law) Regulations, 1997	S.I. No. 107 of 1997

<sup>\*1</sup> Revoked from 1 August 1991.

<sup>\*2</sup> Revoked from 31 December 1993.

<sup>\*3</sup> Revoked from 21 December 1993.

<sup>\*4</sup> Revoked from 20 November 1996.

## Appendix II

### Operative Dates of Parts of the Pensions Act, 1990

The Pensions Act, 1990, as amended, has a total of 90 Sections in nine Parts. The following list shows the operative dates for the main provisions.

DATE		OPERATIVE
PART I	Preliminary and General	21 December 1990
PART II	Establishment of Pensions Board	21 December 1990
PART III	Preservation of Benefits	1 January 1991
PART IV	Funding Standard	1 January 1991
PART V	Disclosure of Information in Relation to Schemes	1 January 1991
PART VI	Trustees of Schemes	
	Section 59	1 November 1991
	Sections 60 and 61	1 January 1991
	Section 62	21 December 1993
	Sections 63 and 64	1 November 1991
PART VII	Equal Treatment for Men and Women in Occupational Benefit Schemes	1 January 1993
PART VIII	Compulsory and Voluntary Reporting to the Board	2 July 1996
PART IX	Miscellaneous Applications to the High Court	2 July 1996

## Appendix III

### *P*ublications

The following publications are available from

The Pensions Board

Holbrook House

Holles Street

Dublin 2

Telephone (01) 676 2622

Fax: (01) 676 4714.

Email: [pb@pensionsboard.ie](mailto:pb@pensionsboard.ie)

■ *So You're a Pension Scheme Trustee?*

A brief guide to the duties and responsibilities of trustees of occupational pension schemes.

■ *Is My Pension Secure?*

A guide to the protections provided by the Pensions Act.

■ *What Do You Know About Your Pension Scheme?*

An overview of the information which trustees of occupational pension schemes must give.

■ *What Happens to My Pension if I Leave?*

A guide to the preservation and transfer of benefits for early leavers under the Pensions Act.

■ *Selecting Member Trustees*

A guide to the participation by members in the selection of the trustees of occupational pension schemes.

■ *The Pensions Board*

An introduction to the Board, its functions and its membership.

■ *What Happens When Your Pension Scheme is Wound Up or a Merger/Acquisition Takes Place?*

A guide to trustees and pension scheme members on the winding up of a pension scheme and on the effects of mergers/acquisitions on pension schemes.

■ *A Brief Guide to Pensions*

A guide to help pension scheme members understand their pension scheme and its benefits.

■ *A Guide to Your Scheme's Annual Report*

A guide to pension scheme members to assist them in reading and understanding their scheme's Annual Report.

■ *Pension Provisions of the Family Law Acts*

Guidance on the pension provisions of the Family Law Act, 1995 and the Family Law (Divorce) Act, 1996.

■ *Legislation Service\**

Subscribers to this service receive in a single folder the consolidated texts of the Pensions Act and its Regulations, including all amendments made to date. They also receive updates whenever further amendments to the Act or its Regulations are made.

■ *Guidance Notes\**

A series of technical guidance notes on the Pensions Act and its Regulations, designed mainly for pension practitioners, have been prepared by the Board. Notes on the requirements in relation to disclosure of information, member participation in the selection of trustees, equal treatment, preservation of benefits, compulsory and voluntary reporting to The Pensions Board, and pension provisions of the Family Law Act, 1995 and Family Law (Divorce) Act, 1996 are now available.

\* Available by subscription only.