

*These notes refer to the Pension Schemes Act 2015
(c.8) which received Royal Assent on 3 March 2015*

PENSION SCHEMES ACT 2015

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 2 – Collective Benefits

Section 18: Investment powers: duty of care

73. This section provides a power to make regulations to ensure that trustees or managers of schemes which contain collective benefits, and those who have had investment functions delegated to them, cannot be excluded from liability when exercising their investment functions involving collective benefit investments. This requirement will help to ensure that those responsible for collective benefit investments cannot avoid their duty of care in respect of how they manage the funds, in turn helping to ensure the funds are properly managed and providing a safeguard for members. This section allows current restrictions that apply under section 33 of the Pensions Act 1995 to trustees of trust-based occupational schemes in relation to investment functions to similarly apply in relation to those running schemes which offer collective benefits.