

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations concern the selection and appointment of member-nominated trustees and directors under sections 16 to 21 of the Pensions Act 1995 (c.26) (“the Act”) and are made before the expiry of the period of six months beginning with the coming into force of the provisions of Part I of the Act by virtue of which they are made. They are accordingly exempt from the requirement in section 120 of the Act for the Secretary of State to consult such persons as he considers appropriate.

Regulations 1 and 2 provide for citation, commencement and interpretation.

Regulation 3 provides for determining the number of members which a scheme comprises.

Regulations 4 and 6 provide for exceptions to the requirement to make arrangements for member-nominated trustees or directors.

Regulation 5 makes provision for extending the provisions of section 18 of the Act to schemes where all the trustees are corporate bodies.

Regulation 7 makes provision as to the timing of the implementation of the member-nominated trustee requirement.

Regulation 8 and Schedule 1 make provision as to approval by scheme members of the appropriate rules for selecting member-nominated trustees. Regulation 8 and Part I of Schedule 2 provide rules for selecting member-nominated trustees where there are no such approved rules under the scheme.

Regulation 9 and Schedule 1 make provision as to the circumstances in which the requirement to make arrangements for member-nominated trustees will not apply if alternative arrangements are proposed and as to the procedure on such a proposal.

Regulation 10 makes provision as to the time limits for making such alternative arrangements.

Regulation 11 makes provision as to the circumstances in which trustees may modify schemes by resolution to increase the overall number of trustees.

Regulation 12 makes provision as to the continuation in office of a member-nominated trustee notwithstanding that the requirements have ceased to apply.

Regulations 13 to 17 make similar provision to regulations 6 to 11 but in relation to member-nominated directors.

Regulation 18 provides for two or more schemes sponsored by the same employer or a subsidiary of the employer’s company to be aggregated if the trustee is one or more companies.

Regulation 19 and Schedule 3 make provision for modification of the legislation for multi-employer schemes; for schemes where the employer is sole trustee; for schemes where a company is sole trustee of and sole employer in relation to a scheme; to deal with schemes with few or no active or no pensioner members; to allow the minimum period of office for a member-nominated trustee or director to be reduced in certain circumstances; to disapply section 591B of the Income and Corporation Taxes Act 1988 as respects amendments implementing these regulations; to take account of section 303 of the Companies Act 1985 in relation to the removal of member-nominated directors and to cater for companies which are trustees of schemes some of which are and some of which are not schemes to which the requirements as to member-nominated directors apply.

Regulation 20 sets out the circumstances in which appropriate rules and alternative arrangements cease to have effect.

Regulation 21 provides rules in the case where there are insufficient nominations for member-nominated trustees or directors.

Regulation 22 provides for trustees and employers to keep records in relation to the statutory consultation procedure.

Changes to legislation: *There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 1996. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)*

Regulation 23 makes provision in relation to notices to be given under these regulations. Regulation 24 and Schedule 4 make transitional provision so that where the employer gives certain notices on or after 6 October 1996, things done on or after that date have a similar effect to that they would have if sections 16 to 21 and these regulations were in force. An assessment of the compliance cost for employers of the measures arising from the Pensions Act 1995, including Regulations, has been placed in the libraries of both Houses of Parliament. Copies can be obtained by post from the Department of Social Security, Private Pensions, 11th Floor, Adelphi, 1—11 John Adam Street, London, WC2N 6HT.

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[View outstanding changes](#)

Changes and effects yet to be applied to :

- Sch.1 para.9(3) applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- Sch.2 para.1(3)(a) amended by [S.I. 1996/1216 reg.19Sch.3 para.2\(b\)\(i\)](#)
- Sch.2 para.1(3)(b) substituted by [S.I. 1996/1216 reg.19Sch.3 para.2\(b\)\(ii\)](#)
- Sch.4 paras.4(1)6 amended by [S.I. 1996/1216 reg.19Sch.3 para.3\(7\)\(a\)](#)
- Sch.4 para.6(c) amended by [S.I. 1996/1216 reg.19Sch.3 para.3\(7\)\(b\)](#)
- Sch.4 applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.20(1)(g)(ii) amended by [S.I. 1996/1216 reg.19Sch.3 para.2\(5\)\(a\)\(b\)](#)
- reg.16(2)(b)(i) applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.9 applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.9(1)(a) amended by [S.I. 1996/1216 reg.19Sch.3 para.2\(3\)\(a\)\(i\)](#)
- reg.9(1)(b)(ii) rep.in pt. by [S.I. 1996/1216 reg.19Sch.3 para.2\(3\)\(a\)\(ii\)](#)
- reg.9(2)(c)(i) rev.in pt. by [S.I. 1996/1216 reg.19Sch.3 para.2\(3\)\(b\)\(i m](#)
- reg.9(3) substituted by [S.I. 1996/1216 reg.19Sch.3 para.2\(3\)\(c\)](#)
- reg.10(2)(b)(i) amended by [S.I. 1996/1216 reg.19Sch.3 para.2\(4\)](#)
- reg.10(2)(b)(i) applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.13(2)(d) applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.15 applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.15(1)(a) amended by [S.I. 1996/1216 reg.19Sch.3 para.3\(3\)\(a\)\(i\)](#)
- reg.15(1)(b)(ii) revoked by [S.I. 1996/1216 reg.19Sch.3 para.3\(3\)\(a\)\(i 0](#)
- reg.15(2)(c)(i) rev.in pt. by [S.I. 1996/1216 reg.19Sch.3 para.3\(3\)\(b\)\(i ii\)](#)
- reg.15(3) substituted by [S.I. 1996/1216 reg.19Sch.3 para.3\(3\)\(c\)](#)
- reg.16(2)(b)(i) amended by [S.I. 1996/1216 reg.19Sch.3 para.3\(4\)](#)
- reg.20(1) applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.20(1)(d) amended by [S.I. 1996/1216 reg.19Sch.3 para.2\(5\)\(a\)\(b\)](#)
- reg.20(1)(f) amended by [S.I. 1996/1216 reg.19Sch.3 para.3\(5\)\(a\)](#)
- reg.20(1)(h)(ii) amended by [S.I. 1996/1216 reg.19Sch.3 para.3\(5\)\(b\)](#)
- reg.20(3) applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.20(3) rep.in pt. by [S.I. 1996/1216 reg.19Sch.3 para.2\(5\)\(c\)](#)
- reg.20(3) rev.in pt. by [S.I. 1996/1216 reg.19Sch.3 para.3\(5\)\(c\)](#)
- reg.20(4) applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.20(4)(a) revoked by [S.I. 1996/1216 reg.19Sch.3 para.2\(5\)\(d\)](#)
- reg.20(5) applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.20(5)(a) revoked by [S.I. 1996/1216 reg.19Sch.3 para.3\(5\)\(d\)](#)
- reg.22(3) applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)
- reg.23(3) rev.in pt. by [S.I. 1996/1216 reg.19Sch.3 para.2\(6\)](#)

Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- Sch.4 para.3(1)(5) amended by [S.I. 1996/1216 reg.19Sch.3 para.2\(7\)\(a\)](#)
- Sch.4 para.3(5)(e) amended by [S.I. 1996/1216 reg.19Sch.3 para.2\(7\)\(b\)](#)
- reg.15(2)(a)(i)reg.15(2)(a)(ii)(b)(i) amended by [S.I. 1996/1216 reg.19Sch.3 para.3\(3\)\(b\)\(i\)\(ii\)](#)
- reg.13(2)(d) substituted by [S.I. 1996/1216 reg.19Sch.3 para.3\(2\)](#)
- reg.2 (defns. of alternative arrangements and opt- out failure date) applied by [S.I. 1996/1216 reg.19Sch.3 para.2\(a\)](#)

– reg.9(2)(a)(i)reg.9(2)(a)(ii)(b)(i) amended by S.I. 1996/1216 reg.19Sch.3 para.2(3)
(b)(i)(ii)