

These notes relate to the Scottish Parliamentary Pensions Act 2009 (asp 1) which received Royal Assent on 25 February 2009

SCOTTISH PARLIAMENTARY PENSIONS ACT 2009

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part B Fund Trustees

Rule 17: Fund management

79. Section 47(2) of the 1995 Act requires every occupational pension scheme whose assets include investments to appoint an individual or a firm to act as fund manager on behalf of the trustees. Under section 34 of that Act, while trustees (subject to restrictions imposed by any scheme) may make investments as if they were absolutely entitled to the scheme assets, they may also delegate decisions about investments to their fund managers. Section 34(4) of that Act relieves the Fund trustees from responsibilities in relation to the fund managers' performance, provided they have satisfied themselves that the person appointed has the appropriate knowledge and experience, is carrying out work competently and complies with the investment principles for the scheme.
80. Under rule 17, the Fund trustees must monitor the performance of the fund manager so that they may satisfy themselves in terms of their responsibilities in relation to the delegation of their authority to make investments.