

THE PENSIONS (SPECIAL RULES FOR END OF LIFE) BILL 2024

MEMORANDUM FROM THE DEPARTMENT FOR WORK AND PENSIONS TO THE DELEGATED POWERS AND REGULATORY REFORM COMMITTEE

A. INTRODUCTION

- 1) This memorandum has been prepared for the Delegated Powers and Regulatory Reform Committee to assist with its scrutiny of the Pensions (Special Rules for End of Life) Bill 2024 ("the Bill). This memorandum identifies the provisions of the Bill that confer powers to make delegated legislation. It explains why the power has been taken and explains the nature of, and the reason for, the procedure selected.

B. PURPOSE AND EFFECT OF THE BILL

- 2) The Bill would change the life expectancy criteria for Pension Protection Fund (PPF) terminal illness payments, and both annual and initial payments made under the Financial Assistance Scheme (FAS) Regulations 2005.
- 3) The Bill would amend the definition of terminal illness so that instead of having a life expectancy of 6 months, this will be defined by a period of 12 months. It would also make provision for annual payments in the case of ill health where an individual has between 12 months and 5 years' life expectancy (FAS Regulations only). The Bill aims to bring pensions legislation in line with recent changes to social security legislation, namely, the Social Security (Special Rules for End of Life) Act 2022.

C. DELEGATED POWERS

The Bill does not contain any delegated powers.

21 May 2024