

National Insurance Contributions (Employer Pensions Contributions) Bill

MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

[Amendments marked ★ are new or have been altered]

Amendment
No.

Clause 1

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM
BARONESS ALTMANN

- 1 Clause 1, page 1, line 10, after “tax” insert “at the higher or additional rate”

Member's explanatory statement

This amendment would exempt basic rate taxpayers in England, Wales and Scotland from the £2,000 cap.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM

- 2 Clause 1, page 2, line 14, at end insert –

- “(6DA) Regulations made under subsection (6A) must include provision explaining –
- (a) the basis on which the Treasury considers employed earners to be higher earners for the purposes of those regulations; and
 - (b) how the contributions limit specified under subsection (6C) reflects that assessment.”

Member's explanatory statement

This amendment would require that regulations made under Clause 1 explain the basis on which the Treasury considers certain employed earners to be “higher earners” for the purposes of the national insurance charge, and how the contributions limit reflects that assessment in Great

Britain. It is intended to ensure transparency and consistency between the policy justification set out in the Explanatory Notes and the effect of the regulations made under the Bill.

LORD LEIGH OF HURLEY
BARONESS ALTMANN

3★ Clause 1, page 2, line 14, at end insert –

“(6DA) In cases where the contribution limit is exceeded, regulations must make provisions for such amounts not be treated as earnings by virtue of the Education (Student Loans) (Repayment) Regulations 2009 (S.I. 2009/470), Part 4, Regulation 41.”

Member's explanatory statement

Income for student loan purposes is defined on an NI basis. This amendment exempts salary sacrificed pension contributions over the limit from being included in student loan repayments definitions, and so aligns with other benefits in kind.

LORD LEIGH OF HURLEY
BARONESS ALTMANN

4★ Clause 1, page 2, line 14, at end insert –

“(6DA) Contributions to pensions where employees are not offered alternative compensation are not to be treated as optional remuneration arrangements.”

Member's explanatory statement

Where an employee has the option of a cash allowance or additional pension contribution, that would be an optional remuneration arrangement. But where no cash alternative is offered then there is clearly no optional arrangement and this amendment would therefore make it exempt.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM
BARONESS ALTMANN

5 Clause 1, page 2, line 21, after “year” insert “, or which make provision altering the method through which the contributions limit, or any equivalent of that limit, is calculated or applied”

Member's explanatory statement

This amendment would ensure that regulations which alter the methodology by which the contributions limit, or any equivalent of that limit, is calculated or applied in Great Britain are subject to the affirmative resolution procedure.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM
LORD LONDESBOROUGH

- 6 Clause 1, page 2, line 26, leave out “£2,000” and insert “the amount calculated under subsections (5) and (6)”

Member's explanatory statement

This amendment and another in the name of Baroness Neville-Rolfe would uprate the £2,000 cap by the percentage change in the consumer price index during the period before 2029-30, and would require the cap to be uprated by the same percentage as the change in the consumer price index each year thereafter in Great Britain.

BARONESS KRAMER
BARONESS ALTMANN
LORD LONDESBOROUGH

- 7 Clause 1, page 2, line 26, leave out “£2,000” and insert “£5,000”

Member's explanatory statement

This amendment changes the contributions limit to £5,000.

LORD DE CLIFFORD

- 8 Clause 1, page 2, line 26, leave out “£2,000” and insert “the amount calculated as 5% of the National Insurance Upper Earning Limits Annual Threshold”

Member's explanatory statement

This amendment seeks to change the contribution limit based on current National Insurance Upper Earning Limit Annual Threshold for 2026-2027 of £50,270 to £2,513.50.

BARONESS ALTMANN

- 9 Clause 1, page 2, line 26, leave out “£2,000” and insert “£10,000”

Member's explanatory statement

This amendment seeks to change the contribution limit to £10,000 a year.

BARONESS KRAMER

- 10 Clause 1, page 2, line 26, leave out from “as” to end of line 27 and insert “the amount calculated under subsections (5) and (6).”

- (5) For the tax year 2029–30 the contributions limit must be £2,000 uprated by the percentage change in the retail prices index between 2026–27 and 2028–29.
- (6) In subsequent tax years the contributions limit must be uprated annually in line with the retail prices index.”

Member's explanatory statement

This amendment provides for the £2,000 contributions limit to be uprated in line with RPI.

BARONESS KRAMER
LORD LONDESBOROUGH

11 Clause 1, page 2, line 26, leave out from “as” to end of line 27 and insert “the amount calculated under subsections (5) and (6).

- (5) For the tax year 2029–30 the contributions limit must be £5,000 uprated by the percentage change in the retail prices index between 2026–27 and 2028–29.
- (6) In subsequent tax years the contributions limit must be uprated annually in line with the retail prices index.”

Member's explanatory statement

This amendment provides for the current £2,000 contributions limit to be both increased to £5,000, and uprated in line with RPI, in Great Britain.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM
BARONESS ALTMANN
LORD LONDESBOROUGH

12 Clause 1, page 2, line 27, at end insert –

- “(5) The amendments made by this section do not apply where the employer –
 - (a) is a small or medium-sized enterprise, or
 - (b) is a charity or social enterprise which meets the conditions in subsection (6).
- (6) The conditions are that –
 - (a) the employer meets the definition of a small or medium-sized enterprise in section 465 of the Companies Act 2006, and
 - (b) the employment is carried out wholly or mainly for the purposes of that charity or social enterprise.
- (7) In this section –
 - “charity” has the meaning given by section 1 of the Charities Act 2011;
 - “social enterprise” means an undertaking which –
 - (a) has as its primary purpose the achievement of social or environmental objectives, and
 - (b) principally reinvests its profits for those purposes;
 - “small or medium-sized enterprise” has the meaning given by section 465 of the Companies Act 2006.”

Member's explanatory statement

This amendment exempts small and medium-sized enterprises, and small and medium-sized charities and social enterprises, from the provisions of the Bill in Great Britain.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM

13 Clause 1, page 2, line 27, at end insert –

- “(5) In 2029-30 the contributions limit must be set at a figure equal to £2,000 uprated by any percentage change in the consumer price index between 2026-27 and 2028-29.
- (6) In subsequent tax years the contributions limit must be uprated by the same percentage change as that applied to the consumer price index that year.”

Member's explanatory statement

This amendment and another in the name of Baroness Neville-Rolfe would uprate the £2,000 cap by the percentage change in the consumer price index during the period before 2029-30, and would require the cap to be uprated by the same percentage as the change in the consumer price index each year thereafter in Great Britain.

Clause 2

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM
BARONESS ALTMANN

14 Clause 2, page 2, line 38, after “tax” insert “at the higher or additional rate”

Member's explanatory statement

This amendment would exempt basic rate taxpayers in Northern Ireland from the £2,000 cap.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM

15 Clause 2, page 3, line 26, at end insert –

- “(6DA) Regulations made under subsection (6A) must include provision explaining –
- (a) the basis on which the Treasury considers employed earners to be higher earners for the purposes of those regulations; and
 - (b) how the contributions limit specified under subsection (6C) reflects that assessment.”

Member's explanatory statement

This amendment would require that regulations made under clause 2 explain the basis on which the Treasury considers certain employed earners to be “higher earners” for the purposes of the

national insurance charge, and how the contributions limit reflects that assessment, when applied to Northern Ireland.

LORD LEIGH OF HURLEY
BARONESS ALTMANN

16★ Clause 2, page 3, line 26, at end insert –

“(6DA) In cases where the contribution limit is exceeded, regulations must make provisions for such amounts not be treated as earnings by virtue of the Education (Student Loans) (Repayment) Regulations 2009 (S.I. 2009/470), Part 4, Regulation 41.”

Member's explanatory statement

Income for student loan purposes is defined on an NI basis. This amendment exempts salary sacrificed pension contributions over the limit from being included in student loan repayments definitions, and so aligns with other benefits in kind.

LORD LEIGH OF HURLEY
BARONESS ALTMANN

17★ Clause 2, page 3, line 26, at end insert –

“(6DA) Contributions to pensions where employees are not offered alternative compensation are not to be treated as optional remuneration arrangements.”

Member's explanatory statement

Where an employee has the option of a cash allowance or additional pension contribution, that would be an optional remuneration arrangement. But where no cash alternative is offered then there is clearly no optional arrangement and this amendment would therefore make it exempt.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM
BARONESS ALTMANN

18 Clause 2, page 3, line 32, after “year” insert “, or which make provision altering the method through which the contributions limit, or any equivalent of that limit, is calculated or applied,”

Member's explanatory statement

This amendment ensures that regulations which alter the methodology by which the contributions limit, or any equivalent of that limit, is calculated or applied in Northern Ireland are subject to the affirmative resolution procedure.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM

- 19 Clause 2, page 3, line 39, leave out “£2,000” and insert “the amount calculated under subsections (5) and (6)”

Member's explanatory statement

This amendment and another in the name of Baroness Neville-Rolfe would uprate the £2,000 cap in Northern Ireland by the percentage change in the consumer price index during the period before 2029-30 and would require the cap to be uprated by the same percentage as the change in the consumer price index each year thereafter.

BARONESS KRAMER
BARONESS ALTMANN
LORD LONDESBOROUGH

- 20 Clause 2, page 3, line 39, leave out “£2,000” and insert “£5,000”

Member's explanatory statement

This amendment changes the contributions limit to £5,000.

LORD DE CLIFFORD

- 21 Clause 2, page 3, line 39, leave out “£2,000” and insert “the amount calculated as 5% of the National Insurance Upper Earning Limits Annual Threshold”

Member's explanatory statement

This amendment seeks to change the contribution limit based on current National Insurance Upper Earning Limit Annual Threshold for 2026-2027 of £50,270 to £2,513.50.

BARONESS KRAMER

- 22 Clause 2, page 3, line 39, leave out from “as” to end of line 41 and insert “the amount calculated under subsections (5) and (6).

- (5) For the tax year 2029-30 the contributions limit must be £2,000 uprated by the percentage change in the retail prices index between 2026-27 and 2028-29.
- (6) In subsequent tax years the contributions limit must be uprated annually in line with the retail prices index.”

Member's explanatory statement

This amendment provides for the £2,000 contributions limit to be uprated in line with RPI.

BARONESS KRAMER
LORD LONDESBOROUGH

- 23 Clause 2, page 3, line 39, leave out from “as” to end of line 41 and insert “the amount calculated under subsections (5) and (6).
- (5) For the tax year 2029–30 the contributions limit must be £5,000 uprated by the percentage change in the retail prices index between 2026–27 and 2028–29.
 - (6) In subsequent tax years the contributions limit must be uprated annually in line with the retail prices index.”

Member's explanatory statement

This amendment provides for the current £2,000 contributions limit to be both increased to £5,000, and uprated in line with RPI, in Northern Ireland.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM
BARONESS ALTMANN

- 24 Clause 2, page 3, line 41, at end insert –
- “(5) The amendments made by this section do not apply where the employer –
 - (a) is a small or medium-sized enterprise, or
 - (b) is a charity or social enterprise which meets the conditions in subsection (6).
 - (6) The conditions are that –
 - (a) the employer meets the definition of a small or medium-sized enterprise in section 465 of the Companies Act 2006; and
 - (b) the employment is carried out wholly or mainly for the purposes of that charity or social enterprise.
 - (7) In this section –
 - “charity” has the meaning given by section 1 of the Charities Act 2011;
 - “social enterprise” means an undertaking which –
 - (a) has as its primary purpose the achievement of social or environmental objectives, and
 - (b) principally reinvests its profits for those purposes;
 - “small or medium-sized enterprise” has the meaning given by section 465 of the Companies Act 2006.”

Member's explanatory statement

This amendment exempts small and medium-sized enterprises, charities and social enterprises from the provisions of the Bill in Northern Ireland.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM

25 Clause 2, page 3, line 41, at end insert –

- “(5) In 2029-30 the contributions limit must be set at a figure equal to £2,000 uprated by any percentage change in the consumer price index between 2026-27 and 2028-29.
- (6) In subsequent tax years the contributions limit must be uprated by the same percentage change as that applied to the consumer price index that year.”

Member's explanatory statement

This amendment and another in the name of Baroness Neville-Rolfe would uprate the £2,000 cap in Northern Ireland by the percentage change in the consumer price index during the period before 2029-30 and would require the cap to be uprated by the same percentage as the change in the consumer price index each year thereafter.

After Clause 2

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM
BARONESS ALTMANN
LORD LONDESBOROUGH

26 After Clause 2, insert the following new Clause –

“Review of impact on small and medium-sized enterprises

- (1) The Secretary of State must, within 12 months of the passing of this Act, lay before Parliament an independent report assessing the impact of the provisions of this Act relating to employer National Insurance contributions on small and medium-sized enterprises, including social enterprises.
- (2) The report under subsection (1) must, in particular, assess the impact on –
- (a) administrative and compliance costs arising from changes to payroll, pension and benefits administration,
 - (b) the complexity of operating salary sacrifice and workplace pension arrangements,
 - (c) employment costs, and
 - (d) the ability of small and medium-sized enterprises to attract, retain and reward staff.
- (3) The report under subsection (1) must assess the impact of this Act in the context of the cumulative impact of changes to employer National Insurance contributions affecting small and medium-sized enterprises since July 2024.”

Member's explanatory statement

This amendment requires the Treasury to commission and lay before Parliament an independent review of the impact of the Act's employer National Insurance provisions on small and medium-sized enterprises and social enterprises, including administrative complexity and

employment costs, and in the context of the cumulative effect of recent changes to employer National Insurance contributions.

BARONESS KRAMER
BARONESS ALTMANN
LORD DE CLIFFORD

27 After Clause 2, insert the following new Clause –

“Review: impact on SME recruitment and retention

- (1) The Secretary of State must, within 12 months of the day on which this Act is passed, lay before Parliament a report assessing the effect of the provisions of this Act on small and medium-sized enterprises in relation to the recruitment and retention of staff.
- (2) The report under subsection (1) must consider the impact of this Act in the context of the cumulative impact of changes to employer national insurance contributions affecting businesses within the scope of this Act since July 2024.”

Member's explanatory statement

This amendment seeks to require a review of the impact of the Act on the ability of SMEs to recruit and retain staff.

BARONESS KRAMER

28 After Clause 2, insert the following new Clause –

“Calculation and publication of lifetime pension values

- (1) The Secretary of State must calculate and publish illustrative projections of the lifetime value of pension savings before and after the changes made by this Act.
- (2) For the purposes of this section, “lifetime value” means the total pension income an individual is expected to receive over their lifetime.
- (3) Projections must –
 - (a) be based on clearly stated assumptions, and
 - (b) include examples covering a range of income levels and pension entitlements.”

Member's explanatory statement

This amendment seeks to require the publication of illustrative lifetime pension outcomes.

BARONESS ALTMANN
LORD DE CLIFFORD

29 After Clause 2, insert the following new Clause –

“Independent report: impact

The Secretary of State must, within 12 months of the day on which this Act is passed, lay before Parliament an independent report assessing the impact of the provisions of this Act on –

- (a) contribution levels for workplace pensions;
- (b) opt-out rates from auto-enrolment;
- (c) additional costs of pension administration for employers;
- (d) take-home pay for workers;
- (e) future pay increases and employment levels for companies using salary sacrifice for pension contributions;
- (f) use of salary sacrifice for employer pension contributions.”

Member's explanatory statement

This amendment seeks to require the Government to ensure it has independent advice which examines the potential consequences of the limit on salary sacrificed pension contributions in terms of employer costs, pension adequacy and workers' take-home pay.

Clause 3

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM
BARONESS ALTMANN

30 Clause 3, page 4, line 5, leave out subsection (2) and insert –

- “(2) The provisions of this Act, other than this section, may only come into force when a review, meeting the requirements set out in subsections (2A) to (2D), has been completed.
- (2A) The Secretary of State must commission an independent review of the impact of this Act.
- (2B) The review must consider –
 - (a) the effect of this Act on pensions adequacy among employees affected by its provisions,
 - (b) the impact of this Act on those affected by its provisions who are also repaying student loans, and
 - (c) the impact of this Act on levels of pension saving and participation in pension schemes.
- (2C) The person appointed to carry out the review must be independent of His Majesty's Government.

- (2D) The Secretary of State must publish the report of the review and lay it before both Houses of Parliament.”

Member's explanatory statement

This amendment makes commencement of the Act conditional on the completion and publication of an independent review of its effects. It requires the review to assess the impact of the Act on pensions adequacy, and pension saving behaviour and participation, and ensures that Parliament has the opportunity to consider the findings before the Act's provisions are brought into force.

BARONESS NEVILLE-ROLFE
LORD ALTRINCHAM
BARONESS ALTMANN

- 31** Clause 3, page 4, line 5, leave out subsection (2) and insert –

- “(2) The provisions of this Act, other than this section, may not come into force unless and until the conditions in subsections (2A) to (2C) are met.
- (2A) The Secretary of State must undertake an independent review of the impact of this Act on employers.
- (2B) The report must in particular consider –
- (a) the direct and indirect costs incurred by employers as a result of this Act,
 - (b) the effect of the Act on employer pension contributions and the use of salary sacrifice arrangements,
 - (c) the additional compliance costs necessitated by this Act, and
 - (d) any consequential impacts on employment practices, workforce retention or remuneration structures.
- (2C) The Secretary of State must publish the report of the review and lay it before both Houses of Parliament.”

Member's explanatory statement

This amendment makes commencement of the Act conditional on the publication of an independent report on its impact on employers.

BARONESS KRAMER
LORD DE CLIFFORD

- 32** Clause 3, page 4, line 5, leave out subsection (2) and insert –

- “(2) The provisions of this Act, other than this section, may only come into force when a review, meeting the requirements set out in subsections (2A) to (2C), has been completed.
- (2A) The Secretary of State must commission a review of the impact of this Act.
- (2B) The review must consider the impact of –
- (a) Optional Remuneration Arrangements (OpRa) rules on pensions adequacy and salaries, and

- (b) the supplementary forecast information release made by the Office for Budget Responsibility on 5 February 2026, titled *Costing of charging NICs on salary-sacrificed pension contributions*,
on the behavioural responses to the provisions in this Act, that underlie the Government's published policy costings.
- (2C) The Secretary of State must publish the report of the review and lay it before Parliament.”

Member's explanatory statement

This amendment mandates the Government to formally review and report on the OBR's supplementary forecast information release, specifically its findings on behavioural changes of organisations.

LORD LEIGH OF HURLEY
BARONESS ALTMANN

33★

Clause 3, page 4, line 5, at end insert “, provided that the Treasury has by that day published guidance setting out the basis on which the Treasury considers how the contributions limit specified under subsections 1(1) and 2(1) is to apply to employed earners with multiple unconnected concurrent employments.”

Member's explanatory statement

This amendment would not allow the Bill to come into force until the Treasury has set out the basis on which the contributions limit is to be applied to employed earners with multiple concurrent employments for the purposes of calculating the national insurance charge.

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20 February 2026

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