

# Pension Schemes Bill

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THIRD MARSHALLED  
LIST OF AMENDMENTS  
TO BE MOVED  
ON REPORT

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*The amendments have been marshalled in accordance with the Instruction of 5th March 2026, as follows –*

Clauses 1 to 118	Clauses 119 to 123
Schedule	Title

*[Amendments marked ★ are new or have been altered]*

**Amendment  
No.**

**After Clause 96**

LORD PALMER OF CHILDS HILL

**120** After Clause 96, insert the following new Clause –

**“Report on the impact of pension market consolidation**

- (1) The Secretary of State must, within 12 months of the day on which this Act is passed, publish a report on the impact of consolidation in the occupational pensions market.
- (2) The report must include an assessment of –
  - (a) the level of market concentration among pension scheme providers, including trends in the number and size of schemes;
  - (b) the effects of consolidation on competition, innovation, and consumer choice in the pensions market;
  - (c) the potential barriers to entry and growth for small and medium-sized pension providers;
  - (d) the adequacy of existing regulatory and competition safeguards in preventing anti-competitive behaviour regarding –
    - (i) exclusivity arrangements,
    - (ii) exit charges, and
    - (iii) pricing structures;
  - (e) the role of The Pensions Regulator and the Competition and Markets Authority in monitoring and responding to market concentration;
  - (f) the merits of policy or regulatory measures to support new market entrants.

- (3) The Secretary of State must lay a copy of the report before both Houses of Parliament.”

***Member's explanatory statement***

*This new clause would require the Government to report on the impact of market consolidation on competition and new market entrants.*

**Clause 108**

BARONESS SHERLOCK

- 121** Clause 108, page 116, line 5, after “scheme” insert “or for the purposes of complying with a GMP equalisation obligation”

***Member's explanatory statement***

*This amendment makes clear that sub-paragraph (2B) (and not sub-paragraph (2A)) of paragraph 28 of Schedule 7 to the Pensions Act 2004 (inserted by this clause) applies to a case where pension scheme rules required pre-1997 indexation only for the purposes of removing inequalities as between men and women arising from the provision of guaranteed minimum pensions.*

BARONESS SHERLOCK

- 122** Clause 108, page 116, leave out lines 14 to 24 and insert—  
“(c) sub-paragraph (2A) does not apply.”

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 116, line 5.*

BARONESS SHERLOCK

- 123** Clause 108, page 119, line 33, at end insert—  
““GMP equalisation obligation” means any obligation under an enactment, a rule of law or the scheme rules which relates to the removal of inequalities as between men and women in respect of the provision of a guaranteed minimum pension;”

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 116, line 5.*

BARONESS ALTMANN  
VISCOUNT THURSO

124 Clause 108, page 119, line 44, at end insert –

“(2A) After paragraph 28, insert –

“28A (1) In all cases which qualify for an increase in periodic compensation under paragraph 28(2A) to (2I), the person may also qualify for a lump sum payment or payments, the amount of which must be –

(a) related to the loss of inflation protection on pre-1997 pension benefits, and

(b) paid by the Pension Protection Fund out of excess reserves, in recognition of the years of pension increases that were unpaid since the failure of the pension scheme.

(2) The Secretary of State may issue guidance about lump sum payments under this paragraph.””

***Member's explanatory statement***

*This amendment seeks to make provision for lump sum payments from the Pension Protection Fund to persons who qualify for an increase in periodic compensation for pre-1997 service to compensate for unpaid increases in the years since the failure of the pension scheme.*

## BARONESS SHERLOCK

125 Clause 108, page 120, line 40, after “scheme” insert “or for the purposes of complying with a GMP equalisation obligation”

***Member's explanatory statement***

*This amendment makes clear that sub-paragraph (2B) (and not sub-paragraph (2A)) of paragraph 17 of Schedule 5 to the Pensions Act 2008 (inserted by this clause) applies to a case where pension scheme rules required pre-1997 indexation only for the purposes of removing inequalities as between men and women arising from the provision of guaranteed minimum pensions.*

## BARONESS SHERLOCK

126 Clause 108, page 121, leave out lines 10 to 20 and insert –

“(d) sub-paragraph (2A) does not apply.”

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 120, line 40.*

## BARONESS SHERLOCK

127 Clause 108, page 124, line 24, leave out paragraph (h) and insert –

“(h) in paragraph (9), for the definition of “post-1997 service” substitute –

““GMP equalisation obligation” has the same meaning as in paragraph 28 of Schedule 7 to the Pensions Act 2004 (annual increase in periodic pension compensation);

“GMP indexation period” means the period beginning with 6 April 1988 and ending with 5 April 1997;

“guaranteed minimum pension” has the same meaning as in the Pension Schemes Act 1993 (see section 8(2) of that Act);

“post-1997 service”, “pre-1997 service” and “GMP indexed service” have the same meaning as in paragraph 28 of Schedule 7 to the Pensions Act 2004;

“the assessment date” and “admissible rules”, in relation to a pension scheme, have the same meaning as in that Schedule (see paragraphs 2 and 35 of that Schedule);”.

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 120, line 40 and inserts a missed definition.*

BARONESS ALTMANN  
VISCOUNT THURSO

128 Clause 108, page 124, line 36, at end insert –

“(5A) After paragraph 17, insert –

“17A (1) In all cases which qualify for an increase in periodic compensation under paragraph 17(2A) to (2H), the person may also qualify for a lump sum payment or payments, the amount of which must be –

(a) related to the loss of inflation protection on pre-1997 pension benefits, and

(b) paid by the Pension Protection Fund out of excess reserves, in recognition of the years of pension increases that were unpaid since the failure of the pension scheme.

(2) The Secretary of State may issue guidance about lump sum payments under this paragraph.”

***Member's explanatory statement***

*This amendment seeks to make provision for lump sum payments from the Pension Protection Fund to persons who qualify for an increase in periodic compensation for pre-1997 service to compensate for unpaid increases in the years since the failure of the pension scheme.*

**Clause 109**

BARONESS SHERLOCK

- 129 Clause 109, page 125, line 29, after “scheme” insert “or for the purposes of complying with a GMP equalisation obligation”

***Member's explanatory statement***

*This amendment makes clear that sub-paragraph (2B) (and not sub-paragraph (2A)) of paragraph 28 of Schedule 6 to the Pensions (Northern Ireland) Order 2005 (inserted by this clause) applies to a case where pension scheme rules required pre-1997 indexation only for the purposes of removing inequalities as between men and women arising from the provision of guaranteed minimum pensions.*

BARONESS SHERLOCK

- 130 Clause 109, page 125, line 38, leave out from beginning to end of line 7 on page 126 and insert –

“(c) sub-paragraph (2A) does not apply.”

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 125, line 29.*

BARONESS SHERLOCK

- 131 Clause 109, page 129, line 14, at end insert –

““GMP equalisation obligation” means any obligation under an enactment, a rule of law or the scheme rules which relates to the removal of inequalities as between men and women in respect of the provision of a guaranteed minimum pension;”

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 125, line 29.*

BARONESS ALTMANN  
VISCOUNT THURSO

- 132 Clause 109, page 129, line 25, at end insert –

“(2A) After paragraph 28, insert –

“28A (1) In all cases which qualify for an increase in periodic compensation under paragraph 28(2A) to (2I), the person may also qualify for a lump sum payment or payments, the amount of which must be –

- (a) related to the loss of inflation protection on pre-1997 pension benefits, and

(b) paid by the Pension Protection Fund out of excess reserves, in recognition of the years of pension increases that were unpaid since the failure of the pension scheme.

(2) The Secretary of State may issue guidance about lump sum payments under this paragraph.””

***Member's explanatory statement***

*This amendment seeks to make provision for lump sum payments from the Pension Protection Fund to persons who qualify for an increase in periodic compensation for pre-1997 service in Northern Ireland to compensate for unpaid increases in the years since the failure of the pension scheme.*

BARONESS SHERLOCK

**133** Clause 109, page 130, line 22, after “scheme” insert “or for the purposes of complying with a GMP equalisation obligation”

***Member's explanatory statement***

*This amendment makes clear that sub-paragraph (2B) (and not sub-paragraph (2A)) of paragraph 17 of Schedule 4 to the Pensions (No.2) Act (Northern Ireland) 2008 (inserted by this clause) applies to a case where pension scheme rules required pre-1997 indexation only for the purposes of removing inequalities as between men and women arising from the provision of guaranteed minimum pensions.*

BARONESS SHERLOCK

**134** Clause 109, page 130, leave out lines 35 to 45 and insert—

“(d) sub-paragraph (2A) does not apply.”

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 130, line 22.*

BARONESS SHERLOCK

**135** Clause 109, page 134, leave out lines 7 to 18 and insert—

““GMP equalisation obligation” has the same meaning as in paragraph 28 of Schedule 6 to the 2005 Order (annual increase in periodic pension compensation);

“GMP indexation period” means the period beginning with 6 April 1988 and ending with 5 April 1997;

“guaranteed minimum pension” has the same meaning as in the Pension Schemes Act (see section 4(2) of that Act);

“post-1997 service”, “pre-1997 service” and “GMP indexed service” have the same meaning as in paragraph 28 of Schedule 6 to the 2005 Order;

“the assessment date” and “admissible rules”, in relation to a pension scheme, have the same meaning as in that Schedule (see paragraphs 2 and 35 of that Schedule).””

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 130, line 22 and inserts a missed definition.*

BARONESS ALTMANN  
VISCOUNT THURSO

**136** Clause 109, page 134, line 18, at end insert –

“(5A) After paragraph 17, insert –

“17A (1) In all cases which qualify for an increase in periodic compensation under paragraph 17(2A) to (2H), the person may also qualify for a lump sum payment or payments, the amount of which must be –

(a) related to the loss of inflation protection on pre-1997 pension benefits, and

(b) paid by the Pension Protection Fund out of excess reserves, in recognition of the years of pension increases that were unpaid since the failure of the pension scheme.

(2) The Secretary of State may issue guidance about lump sum payments under this paragraph.””

***Member's explanatory statement***

*This amendment seeks to make provision for lump sum payments from the Pension Protection Fund to persons who qualify for an increase in periodic compensation for pre-1997 service in Northern Ireland to compensate for unpaid increases in the years since the failure of the pension scheme.*

**Clause 110**

BARONESS SHERLOCK

**137** Clause 110, page 135, line 35, after “scheme” insert “or for the purposes of complying with a GMP equalisation obligation”

***Member's explanatory statement***

*This amendment makes clear that sub-paragraph (2B) (and not sub-paragraph (2A)) of paragraph 9 of Schedule 2 to the Financial Assistance Scheme Regulations 2005 (inserted by this clause) applies to a case where pension scheme rules required pre-1997 indexation only for the purposes of removing inequalities as between men and women arising from the provision of guaranteed minimum pensions.*

BARONESS SHERLOCK

**138** Clause 110, page 136, leave out lines 1 to 10 and insert –

“(c) sub-paragraph (2A) does not apply.”

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 135, line 35.*

BARONESS SHERLOCK

- 139 Clause 110, page 136, line 35, leave out “(2B) and” and insert “(2A) to”

***Member's explanatory statement***

*This amendment is consequential on the next amendment to this clause in my name.*

BARONESS SHERLOCK

- 140 Clause 110, page 136, line 35, at end insert –

““GMP equalisation obligation” means any obligation under an enactment, a rule of law or the scheme rules which relates to the removal of inequalities as between men and women in respect of the provision of a guaranteed minimum pension;”

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 135, line 35.*

BARONESS SHERLOCK

- 141 Clause 110, page 138, line 9, after “scheme” insert “or for the purposes of complying with a GMP equalisation obligation”

***Member's explanatory statement***

*This amendment makes clear that sub-paragraph (2B) (and not sub-paragraph (2A)) of paragraph 9 of Schedule 2A to the Financial Assistance Scheme Regulations 2005 (inserted by this clause) applies to a case where pension scheme rules required pre-1997 indexation only for the purposes of removing inequalities as between men and women arising from the provision of guaranteed minimum pensions.*

BARONESS SHERLOCK

- 142 Clause 110, page 138, leave out lines 18 to 27 and insert –

“(c) sub-paragraph (2A) does not apply.”

***Member's explanatory statement***

*This amendment is consequential on the amendment to this clause in my name at page 138, line 9.*

## BARONESS SHERLOCK

143 Clause 110, page 139, line 7, at end insert –

““GMP equalisation obligation” means any obligation under an enactment, a rule of law or the scheme rules which relates to the removal of inequalities as between men and women in respect of the provision of a guaranteed minimum pension;”

*Member's explanatory statement*

*This amendment is consequential on the amendment to this clause in my name at page 138, line 9.*

## BARONESS SHERLOCK

144 Clause 110, page 139, line 24, leave out subsections (12) and (13)

*Member's explanatory statement*

*This amendment removes provision amending Schedules 3 and 5 to the Financial Assistance Scheme Regulations 2005.*

**After Clause 110**

## BARONESS SHERLOCK

145 After Clause 110, insert the following new Clause –

**“CHAPTER 2A****AWE PENSION SCHEME***New public pension schemes***Establishment of new public schemes and transfer of rights**

- (1) The Secretary of State may by regulations establish one or more schemes (“new public schemes”) which provide for pensions or other benefits to be payable to or in respect of persons who are or have been members of the AWE Pension Scheme (“qualifying persons”).
- (2) The Secretary of State may by regulations make provision for the transfer of qualifying accrued rights to a new public scheme (without the need for any approval or consent of the trustee company or AWE PLC, or any other person, to the transfer).
- (3) Regulations under subsection (2) may include provision for the discharge of liabilities in respect of qualifying accrued rights that are transferred.
- (4) In this Chapter –  
“qualifying accrued rights” means –

- (a) any right to future benefits under the AWE Pension Scheme which, at the qualifying time, has accrued to or in respect of a qualifying person,
  - (b) any entitlement under the AWE Pension Scheme to the present payment of a pension or other benefit which a qualifying person has at the qualifying time, or
  - (c) any entitlement to benefits, or right to future benefits, under the AWE Pension Scheme which a survivor of a qualifying person has at the qualifying time in respect of the qualifying person;
- “the qualifying time” means the time immediately before the date specified or described in regulations.
- (5) For the purposes of the definition of “qualifying accrued rights” –
    - (a) references to pensions or other benefits (including future benefits) includes money purchase benefits, and
    - (b) references to a right include a pension credit right.
  - (6) Regulations under subsection (4) specifying or describing a date for the purposes of the definition of “the qualifying time” may make provision for the purposes of transfers of qualifying accrued rights generally, transfers of a particular description or a particular transfer.”

***Member's explanatory statement***

*This new clause provides for the pension scheme of AWE PLC (a wholly owned government company) to be transferred to a new public sector pension scheme, while preserving existing rights of scheme members. It will be the first clause of a new Chapter in Part 4 of the Bill.*

BARONESS SHERLOCK

146

After Clause 110, insert the following new Clause –

**“New public schemes: further provision**

- (1) A new public scheme may include provision –
  - (a) for pensions or other benefits to be payable to or in respect of some or all persons described in section (*Establishment of new public schemes and transfer of rights*)(1);
  - (b) for the provision of money purchase benefits or benefits that are not money purchase benefits (or both);
  - (c) for increasing in particular circumstances the amounts payable in respect of qualifying accrued rights;
  - (d) for the payment or receipt of transfer values or other lump sum payments for the purpose of creating rights to benefits under a new public scheme or otherwise;
  - (e) in relation to any persons who are active members of the AWE Pension Scheme which differs from the provision made in relation to persons who are deferred members of the AWE Pension Scheme, other than provision in relation to qualifying accrued rights.

- (2) Regulations under section (*Establishment of new public schemes and transfer of rights*)(1) may –
  - (a) provide for a new public scheme to be treated as an occupational pension scheme, a previously contracted-out scheme or another type of occupational pension scheme for the purposes of an enactment specified or described in the regulations;
  - (b) provide for the enactment to apply in relation to a new public scheme subject to modifications specified in the regulations.
- (3) Regulations under section (*Establishment of new public schemes and transfer of rights*)(1) amending a new public scheme may make retrospective provision.
- (4) Regulations under section (*Establishment of new public schemes and transfer of rights*)(1) may –
  - (a) confer functions on the Secretary of State or another person;
  - (b) provide for a person to exercise a discretion in dealing with a matter.
- (5) The Secretary of State may –
  - (a) make arrangements for a new public scheme to be administered by any person;
  - (b) delegate to any person a function exercisable by the Secretary of State under a new public scheme.
- (6) In this section, a “previously contracted-out scheme” means a scheme that before 6 April 2016 was a salary related contracted-out scheme within the meaning of Part 3 of the Pension Schemes Act 1993.”

***Member's explanatory statement***

*This new clause contains further provision about the transfer of the AWE Pension Scheme. It will be the second clause of the new Chapter referred to in the explanatory statement for the amendment in the name of Baroness Sherlock to insert the new clause “Establishment of new public schemes and transfer of rights”.*

BARONESS SHERLOCK

147 After Clause 110, insert the following new Clause –

**“Protection against adverse treatment: transfer of rights**

- (1) When making regulations under section (*Establishment of new public schemes and transfer of rights*) which transfer qualifying accrued rights to a new public scheme, the Secretary of State must ensure that the following requirements are met in respect of each person whose qualifying accrued rights are transferred –
  - (a) the general scheme requirement (see subsection (2)), and
  - (b) where the qualifying accrued rights transferred are a person’s rights or entitlements to money purchase benefits other than pensions in payment, the money purchase requirement (see subsection (3)).
- (2) The general scheme requirement is that, so far as relevant to the qualifying accrued rights transferred by the regulations, the provision in the new public scheme

immediately after the regulations are made is in all material respects at least as good as the provision in the AWE Pension Scheme immediately before that time.

- (3) The money purchase requirement is that the value of the rights or entitlements to money purchase benefits, other than pensions in payment, that a person has under the new public scheme immediately after, and as a result of, the transfer is at least equivalent to the value of the qualifying accrued rights of the person that are transferred.
- (4) The Secretary of State may by regulations make provision about the determination of the value of rights or entitlements for the purposes of subsection (3).
- (5) Regulations under subsection (4) may, among other things—
  - (a) make provision about the person by whom, and the manner in which, the value of rights or entitlements is to be determined,
  - (b) make provision about the date or period by reference to which the value of the qualifying accrued rights transferred is to be determined (subject to subsection (6)), and
  - (c) make provision that applies generally or only for a specific purpose (for example, in relation to a particular transfer).
- (6) Regulations under subsection (4) may not make provision for the value of the qualifying accrued rights transferred to be determined by reference to a date which falls, or a period which ends, more than three months before the transfer.
- (7) Subsection (1) does not require provision to be included in a new public scheme if the Secretary of State is of the opinion that the provision would be incompatible with an enactment (including an enactment applying as a result of any provision made by or under this Chapter).
- (8) Nothing in subsections (1) to (3) is to be read as—
  - (a) requiring particular provisions of a new public scheme to take a particular form,
  - (b) requiring a new public scheme to be established in a particular way,
  - (c) requiring any power or duty conferred or imposed by a new public scheme to be exercised or performed in a particular way, or
  - (d) affecting any power of any person to amend a new public scheme.”

***Member's explanatory statement***

*This new clause contains provision about the protection of existing rights of members of the AWE Pension Scheme. It will be the third clause of the new Chapter referred to in the explanatory statement for the amendment in the name of Baroness Sherlock to insert the new clause “Establishment of new public schemes and transfer of rights”.*

## BARONESS SHERLOCK

148 After Clause 110, insert the following new Clause –

**“Protection against adverse treatment: amendment of new public schemes**

- (1) The Secretary of State may not make regulations under section (*Establishment of new public schemes and transfer of rights*) amending a new public scheme unless –
  - (a) in a case where the amendment, on coming into force, would or might adversely affect subsisting rights at that time, the consent requirements or the procedure requirements are satisfied in relation to the amendment, or
  - (b) in any other case, the consultation requirements are satisfied in relation to the amendment.
- (2) The consent requirements are requirements specified or described in regulations made by the Secretary of State for the purpose of obtaining the consent of interested persons, or their representatives, to amendment of a new public scheme.
- (3) The consultation requirements are requirements specified or described in regulations made by the Secretary of State for the purpose of consulting interested persons, or their representatives, about amendment of a new public scheme.
- (4) The procedure requirements are requirements which –
  - (a) are specified or described in regulations made by the Secretary of State for steps to be taken before amending a new public scheme, and
  - (b) are not requirements for the purpose of obtaining the consent of, or consulting, interested persons or their representatives.
- (5) In this section, “subsisting rights”, in relation to any time, means –
  - (a) any right to future benefits under a new public scheme which, at that time, has accrued to or in respect of a member of the scheme,
  - (b) any entitlement under a new public scheme to the present payment of a pension or other benefit which a member of the scheme has at that time, or
  - (c) any entitlement to benefits, or rights to future benefits, under a new public scheme which a survivor of a member of the scheme has at that time in respect of the member.
- (6) For the purposes of the definition of “subsisting rights” –
  - (a) references to pensions or other benefits (including future benefits) include money purchase benefits, and
  - (b) references to a right include a pension credit right.
- (7) In this section, “interested persons”, in relation to an amendment of a scheme, means persons who appear to the Secretary of State to be likely to be affected by the amendment.”

***Member's explanatory statement***

*This new clause contains further provision about the protection of existing rights of members of the AWE Pension Scheme. It will be the fourth clause of the new Chapter referred to in the*

*explanatory statement for the amendment in the name of Baroness Sherlock to insert the new clause “Establishment of new public schemes and transfer of rights”.*

BARONESS SHERLOCK

149 After Clause 110, insert the following new Clause –

**“Transfer of assets and liabilities**

- (1) The Secretary of State may by regulations provide for the transfer of assets or liabilities of the AWE Pension Scheme (without the need for any approval or consent of the trustee company or AWE PLC, or any other person, to the transfer) to –
  - (a) the Secretary of State,
  - (b) a nominee of the Secretary of State or the Treasury, or
  - (c) a company established by the Secretary of State or the Treasury for the purpose of holding the assets or the liabilities pending their disposal or discharge.
- (2) Where any assets of the AWE Pension Scheme are transferred before regulations under section (*Establishment of new public schemes and transfer of rights*)(2) are made, regulations under this section must make provision for the purposes of –
  - (a) securing the ability of the trustee company to meet any liability it has, or may have, or
  - (b) securing that any such liability is to be met by the Secretary of State or the Treasury.
- (3) The regulations may in connection with those purposes, or otherwise in connection with a transfer of assets or liabilities under the regulations –
  - (a) make provision for the Secretary of State or the Treasury to give directions to the trustee company or AWE PLC;
  - (b) exempt the trustee company, or AWE PLC, from liability in connection with acts or omissions pursuant to any such directions;
  - (c) disapply (to such extent as is specified) any specified statutory provision or rule of law;
  - (d) provide for any specified statutory provision to apply (whether or not it would otherwise apply) with specified modifications;
  - (e) impose a moratorium on the commencement or continuation of proceedings or other legal processes of any specified description.
- (4) “Specified” means specified in the regulations.
- (5) Regulations under this section may include provision for the making of payments into the Consolidated Fund.”

***Member's explanatory statement***

*This new clause contains provision about transfer of assets and liabilities of the AWE Pension Scheme and provision securing scheme liabilities are met after assets are transferred. It will be the fifth clause of the new Chapter referred to in the explanatory statement for the amendment in the*

*name of Baroness Sherlock to insert the new clause “Establishment of new public schemes and transfer of rights”.*

BARONESS SHERLOCK

150 After Clause 110, insert the following new Clause –  
*“Supplementary*

**Taxation**

- (1) The Treasury may by regulations make provision for varying the way in which any relevant tax would, apart from the regulations, have effect in relation to—
  - (a) a new public scheme;
  - (b) members of a new public scheme;
  - (c) persons who have survived a member of a new public scheme and who have an entitlement to benefits, or a right to future benefits, under the scheme in respect of the member;
  - (d) a person within section (*Transfer of assets and liabilities*)(1)(a), (b) or (c).
- (2) Regulations under subsection (1) may include provision for treating a new public scheme as a registered pension scheme.
- (3) The Treasury may by regulations make provision for varying the way in which any relevant tax would, apart from the regulations, have effect in relation to, or in connection with, anything done by or under, or in consequence of, regulations made under this Chapter in relation to—
  - (a) the AWE Pension Scheme;
  - (b) the trustee company;
  - (c) AWE PLC;
  - (d) the Secretary of State;
  - (e) a qualifying person;
  - (f) a person who has survived a qualifying person and who has an entitlement to benefits, or a right to future benefits, under the scheme in respect of the qualifying person.
- (4) Regulations under subsection (1) or (3) may include provision for any of the following—
  - (a) a tax provision not to apply or to apply with modifications;
  - (b) anything done to have or not to have a specified consequence for the purposes of a tax provision;
  - (c) the withdrawal of relief and the charging of a relevant tax.
- (5) Provision made by regulations under subsection (1) or (3), other than provision withdrawing a relief or charging a relevant tax, may make retrospective provision.
- (6) In this section—  
 “relevant tax” means—

- (a) income tax;
- (b) capital gains tax;
- (c) corporation tax;
- (d) inheritance tax;
- (e) stamp duty and stamp duty reserve tax;
- (f) stamp duty land tax;

“registered pension scheme” has the meaning given in Part 4 of the Finance Act 2004;

“tax provision” means any provision made by or under an enactment relating to a relevant tax.”

***Member's explanatory statement***

*This new clause contains provision to secure the right tax treatment in relation to the transfer of the scheme (for example, to avoid tax becoming due on any transfer). It will be the sixth clause of the new Chapter referred to in the explanatory statement for the amendment in the name of Baroness Sherlock to insert the new clause “Establishment of new public schemes and transfer of rights”.*

BARONESS SHERLOCK

151

After Clause 110, insert the following new Clause –

**“Information**

- (1) The Secretary of State may by regulations make provision requiring a person specified or described in the regulations to give the Secretary of State a document or other information specified or described in the regulations.
- (2) Regulations under subsection (1) may only make provision in respect of documents or other information which the Secretary of State reasonably requires for the purposes of –
  - (a) making regulations under this Chapter, or
  - (b) establishing or administering a new public scheme, including transferring qualifying accrued rights to such a scheme.
- (3) Regulations under subsection (1) may, among other things, include –
  - (a) provision about the time when the document or other information must be given;
  - (b) provision about the form and manner in which it must be given;
  - (c) provision for the imposition of a financial penalty on a person who, without reasonable excuse, fails to comply with a requirement imposed by the regulations (including provision for appeals to a court or tribunal).
- (4) For the purposes of facilitating the establishment or administration of a new public scheme, including the transfer of qualifying accrued rights to such a scheme, information described in subsection (5) may be shared among the following persons –
  - (a) the Secretary of State;
  - (b) the Treasury;

- (c) a trustee company of the AWE Pension Scheme;
  - (d) a person who exercises functions under the AWE Pension Scheme;
  - (e) AWE PLC;
  - (f) a person who administers, or exercises functions under, a new public scheme.
- (5) The information is information relating to—
- (a) rights or entitlements to pensions or other benefits under the AWE Pension Scheme;
  - (b) the administration of the AWE Pension Scheme;
  - (c) rights or entitlements to pensions or other benefits under a new public scheme, so far as they are rights or entitlements of, or in respect of, qualifying persons;
  - (d) the administration of a new public scheme.
- (6) The disclosure of information in accordance with this section, or regulations made under this section, does not breach—
- (a) any obligation of confidence owed by a person in relation to that information, or
  - (b) any other restriction on the disclosure of information (however imposed)."

***Member's explanatory statement***

*This new clause contains provision about powers to require information or to share information in connection with the transfer of the AWE Pension Scheme. It will be the seventh clause of the new Chapter referred to in the explanatory statement for the amendment in the name of Baroness Sherlock to insert the new clause "Establishment of new public schemes and transfer of rights".*

BARONESS SHERLOCK

152 After Clause 110, insert the following new Clause—

**“Regulations**

- (1) The Secretary of State must consult the trustee company before making—
  - (a) regulations under section (*Establishment of new public schemes and transfer of rights*) which establish a new public scheme or transfer qualifying accrued rights to a new public scheme, or
  - (b) regulations under section (*Transfer of assets and liabilities*) which make provision for the transfer of assets or liabilities.
- (2) The Secretary of State may not make regulations under any provision of this Chapter, other than under section (*Information*)(1), unless the Treasury have consented to the making of the regulations.
- (3) Regulations under section (*Establishment of new public schemes and transfer of rights*) are subject to the affirmative procedure if—
  - (a) the making of the regulations is subject to the consent requirements (see section (*Protection against adverse treatment: amendment of new public schemes*)), or

- (b) the regulations make provision which has retrospective effect.
- (4) Regulations under section (*Transfer of assets and liabilities*) are subject to the affirmative procedure if they make provision falling with subsection (3)(c), (d) or (e) of that section.
- (5) Regulations under section (*Information*)(1) are subject to the affirmative procedure if they make provision about the amount of a financial penalty.
- (6) A statutory instrument containing regulations under section (*Taxation*) is subject to annulment in pursuance of a resolution of the House of Commons.
- (7) Any other regulations under this Chapter are subject to the negative procedure.”

***Member's explanatory statement***

*This new clause contains provision about consultation and parliamentary scrutiny of regulations about the transfer of the AWE Pension Scheme. It will be the eighth clause of the new Chapter referred to in the explanatory statement for the amendment in the name of Baroness Sherlock to insert the new clause “Establishment of new public schemes and transfer of rights”.*

BARONESS SHERLOCK

153

After Clause 110, insert the following new Clause –

**“Interpretation**

In this Chapter –

“active member” has the meaning given by section 124(1) of the Pensions Act 1995;

“deferred member” has the meaning given by section 124(1) of the Pensions Act 1995;

“enactment” includes –

- (a) an enactment comprised in subordinate legislation (within the meaning given by section 21 of the Interpretation Act 1978),
- (b) an enactment comprised in, or in an instrument made under, a Measure or Act of Senedd Cymru,
- (c) an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament,
- (d) an enactment comprised in, or in an instrument made under, Northern Ireland legislation;

“member” has the meaning given by section 124(1) of the Pensions Act 1995;

“money purchase benefits” has the meaning given by section 181 of the Pension Schemes Act 1993;

“new public scheme” has the meaning given by section (*Establishment of new public schemes and transfer of rights*)(1);

“occupational pension scheme” has the meaning given by section 1 of the Pension Schemes Act 1993;

“pension credit right” has the meaning given by section 124(1) of the Pensions Act 1995;

“qualifying person” has the meaning given by section (*Establishment of new public schemes and transfer of rights*)(1);

“the trustee company” means AWE Pension Trustees Ltd.”

***Member's explanatory statement***

*This new clause contains definitions for the purposes of the new Chapter referred to in the explanatory statement for the amendment in the name of Baroness Sherlock to insert the new clause “Establishment of new public schemes and transfer of rights”. It will be the ninth clause of that Chapter.*

BARONESS ALTMANN  
VISCOUNT THURSO

154 After Clause 110, insert the following new Clause –

**“Lump sum payments for members of the Financial Assistance Scheme**

- (1) Any member of the Financial Assistance Scheme, or their survivor or surviving dependent if the member is deceased, who would qualify for an increased Financial Assistance Payment after 2027 as a result of changes made to the Financial Assistance Scheme Regulations 2005 (S.I. 2005/1986) by section 110 of this Act, may also receive a lump sum payment or payments in recognition of the years of pension increases that were unpaid since the failure of the pension scheme.
- (2) The Secretary of State must, by regulations, determine the amount of the lump sum payments to be made under subsection (1) within one year of the day on which this Act is passed.
- (3) Regulations under subsection (2) must –
  - (a) specify, in consultation with the Pension Protection Fund, the calculation methodology for the lump sum payments to be made in connection with the loss of inflation protection on pre-1997 pension benefits, and
  - (b) require Ministers, in consultation with the Pension Protection Fund, to lay appropriate regulations to identify the resources to be used for the lump sum payments specified in paragraph (a).
- (4) Regulations made under this section are subject to the affirmative procedure.”

***Member's explanatory statement***

*This amendment seeks to make provision for lump sum payments to members of the Financial Assistance Scheme who qualify for an increase in periodic compensation for pre-1997 service to compensate for unpaid increases in the years since the failure of the pension scheme.*

BARONESS ALTMANN  
VISCOUNT THURSO

155 After Clause 110, insert a new following new Clause –

**“Ability to allow members to leave PPF if better benefits are offered by a new employer**

- (1) In section 169 of Pensions Act 2004 (discharge of liabilities in respect of compensation), after subsection (2) insert –
- “(3) In circumstances where subsection (2)(d) applies, the Secretary of State must by regulations make provision to enable members of pension schemes currently in the Pension Protection Fund to be transferred to an alternative arrangement, in exchange for the payment of a suitable premium by an alternative sponsor.
- (4) The amount paid under subsection (3) must be designed to deliver benefits above the Pension Protection Fund minimum level for all members who transfer.
- (5) The regulations under subsection (3) must stipulate how the required sum is to be calculated and what checks must be conducted to confirm that the sums paid by the Pension Protection Fund will secure benefits better than the Pension Protection Fund over the longer term.”
- (2) Subsection (2)(d) of that section comes into force on the day that this Act is passed.”

***Member's explanatory statement***

*This amendment seeks to facilitate the transfer of benefits for members out of the Pensions Protection Fund (PPF), if they are offered, by a reliable alternative sponsor, benefits superior to those paid by the PPF and if a sufficient sum is paid to more than cover their long-term cost to the PPF. It also commences subsection (2)(d) of section 169 of the 2004 Act, thus permitting the payment of a lump sum.*

**After Clause 117**

BARONESS SHERLOCK

156 After Clause 117, insert the following new Clause –

**“Investment principles and choosing investments: guidance**

In Part 1 of the Pensions Act 1995 (occupational pensions), after section 36 insert –

**“36ZA Investment principles and choosing investments: guidance**

- (1) The Secretary of State must issue guidance explaining such aspects of the law contained in regulations made under section 35(4) (statement of investment principles) and section 36(1) (choosing investments) as the Secretary of State considers appropriate.

- (2) Guidance issued under this section may, in particular –
  - (a) explain the meaning of any expression relevant to that law;
  - (b) include examples to illustrate how that law applies to particular scenarios.
- (3) The trustees of a trust scheme, and any fund manager to whom any discretion has been delegated under section 34 (power of investment and delegation), must have regard to guidance issued under this section.
- (4) The Secretary of State –
  - (a) must from time to time review any guidance issued under this section;
  - (b) may from time to time revise and re-issue guidance under this section.
- (5) Before issuing guidance under this section, the Secretary of State must consult such persons as the Secretary of State considers appropriate.
- (6) The requirement to consult those persons may be satisfied by consultation carried out before this section comes into force.
- (7) The Secretary of State must –
  - (a) lay guidance issued under this section before Parliament, and
  - (b) publish such guidance in such manner as the Secretary of State considers appropriate.
- (8) The first guidance issued under this section must be laid before Parliament, and published, before the end of the period of 12 months beginning with the day on which this section comes into force.”

***Member's explanatory statement***

*This amendment would require the Secretary of State to issue guidance explaining aspects of the law contained in certain pensions regulations. The guidance may in particular explain the meaning of expressions in those regulations, such as “financially material considerations” (including “environmental, social and governance considerations”) and “best interests of members”.*

BARONESS NEVILLE-ROLFE  
LORD MOYNIHAN OF CHELSEA  
BARONESS NOAKES

157

After Clause 117, insert the following new Clause –

**“Review of public service pension schemes**

- (1) The Secretary of State must, within 12 months of the day on which this Act is passed, conduct and publish a review of the long-term affordability, intergenerational fairness, fiscal sustainability, and accounting treatment of public service pension schemes.
- (2) In conducting the review under subsection (1), the Secretary of State must have regard to –

- (a) the current and projected cost to the Exchequer of such schemes,
  - (b) their affordability in the context of long-term public finances,
  - (c) the impact of such schemes on different generations of taxpayers and scheme members,
  - (d) the implications of demographic change, including longevity and workforce participation, for the sustainability of such schemes, and
  - (e) the manner in which the liabilities associated with such schemes are recorded, disclosed, and accounted for within the public sector balance sheet and related fiscal reporting frameworks.
- (3) In preparing the review, the Secretary of State must consult –
- (a) the Office for Budget Responsibility,
  - (b) the National Audit Office,
  - (c) His Majesty’s Treasury, and
  - (d) such other persons or bodies as the Secretary of State considers appropriate.
- (4) The schemes to which subsection (1) applies are –
- (a) the NHS Pension Scheme,
  - (b) the Teachers’ Pension Scheme,
  - (c) the Civil Service Pension Scheme,
  - (d) the Armed Forces Pension Scheme,
  - (e) the Police Pension Scheme,
  - (f) the Firefighters’ Pension Scheme, and
  - (g) any other public service pension scheme designated by the Treasury by regulations as operating on an unfunded or pay-as-you-go basis.
- (5) The review must be laid before both Houses of Parliament.
- (6) Nothing in this section affects any pension entitlement accrued in respect of service.”

***Member's explanatory statement***

*This new clause would require the Secretary of State to conduct and publish a review of the long-term affordability, intergenerational fairness, fiscal sustainability, and accounting treatment of public service pension schemes.*

VISCOUNT YOUNGER OF LECKIE  
BARONESS STEDMAN-SCOTT

158

After Clause 117, insert the following new Clause –

**“Review of impact of this Act on retirement incomes**

- (1) The Secretary of State must, within five years of the day on which this Act is passed, carry out a review of the impact of the provisions of this Act on actual and projected retirement incomes.
- (2) Further reviews must be carried out at intervals of not more than five years thereafter.

- (3) Each review must consider –
  - (a) the impact of the provisions of this Act on actual and projected retirement incomes, and
  - (b) whether additional measures are required to ensure that pension scheme members receive an adequate income in retirement.
- (4) The Secretary of State must prepare a report of each review and lay a copy of that report before Parliament.”

VISCOUNT YOUNGER OF LECKIE  
 BARONESS STEDMAN-SCOTT  
 LORD VAUX OF HARROWDEN  
 BARONESS ALTMANN

159 After Clause 117, insert the following new Clause –

**“Review of barriers to UK investment by pension and investment funds**

- (1) Within three months of the day on which this Act is passed, the Secretary of State must launch a review into barriers preventing pension and investment funds from investing in the United Kingdom.
- (2) The review must consider –
  - (a) fixed and regulatory costs of investing in the UK;
  - (b) the UK tax regime;
  - (c) legal and fiduciary constraints.
- (3) The Secretary of State must consult –
  - (a) investment managers;
  - (b) pension providers;
  - (c) pension lawyers;
  - (d) insurers operating in the pensions market;
  - (e) such other persons as the Secretary of State considers appropriate.
- (4) A report must be laid before Parliament within nine months of the day on which the review begins.”

***Member's explanatory statement***

*This amendment requires the Government to review barriers that may prevent pension and investment funds from investing in the United Kingdom, including regulatory, tax, and fiduciary constraints, and to report its findings to Parliament.*

BARONESS ALTMANN

160 After Clause 117, insert the following new Clause –

**“Data accuracy checking**

- (1) The Pensions Act 2008 is amended as follows.

- (2) In section 28 (certification that quality requirement or alternative requirement is satisfied), in subsection (6), after paragraph (f), insert –
- “(g) as to the confirmation and regular checking of accuracy of pension contributions paid into a scheme and reported to members.”
- (3) In section 33 (deduction of contributions), after subsection (2) insert –
- “(3) Such regulations must require employers to obtain confirmation from the trustees or managers of the scheme that the amounts of money paid into a scheme on behalf of members are regularly checked for accuracy and any errors are recorded and corrected as quickly as possible.”
- (4) In section 60 (requirement to keep records), in subsection (1), after paragraph (c), insert –
- “(d) to provide confirmation that regular data accuracy checks to verify contribution amounts, including any tax and National Insurance reliefs, are correctly recorded and reported to members.””

***Member's explanatory statement***

*This amendment aims to require regular data accuracy checks to verify that amounts paid in for members are correctly recorded and reported.*

VISCOUNT THURSO  
BARONESS ALTMANN

**161** After Clause 117, insert the following new Clause –

**“Review: AEA pension scheme**

- (1) The Secretary of State must, within three months of the day on which this Act is passed, commission an independent review into –
- (a) the pension losses incurred by former employees of AEA Technology who transferred their accrued pension benefits out of the UK Atomic Energy Authority (UKAEA) public service scheme to AEA Technology (AEAT) on privatisation in 1996;
  - (b) the financial losses suffered when AEA Technology went into administration in 2012 and the pension scheme entered the Pension Protection Fund (PPF).
- (2) The review must examine –
- (a) the extent and causes of pension losses incurred by affected individuals,
  - (b) the role of Government policy and representations in the transfer of pensions during the privatisation of AEA Technology,
  - (c) the adequacy of safeguards provided at the time of privatisation,
  - (d) potential mechanisms for redress or compensation, and
  - (e) the estimated financial cost of any such mechanisms.
- (3) The review must provide adequate mechanisms for redress and compensation for affected individuals and their dependents –

- (a) in line with the Third Report of Session 2023-2024, of the House of Commons Work and Pensions Committee;
  - (b) in line with the Fifty-Seventh Report of Session 2022-23, of the Committee of Public Accounts;
- or alternative redress and compensation that may be developed through the process outlined under subsection (2).
- (4) The review must be –
    - (a) conducted by an independent panel appointed by the Secretary of State, with relevant expertise in pensions, public policy, and administrative justice, and
    - (b) transparent and consultative, including engagement with affected pensioners and their representatives.
  - (5) The panel must report its findings and recommendations to the Secretary of State and lay a copy of its final report before Parliament within three months of its establishment.
  - (6) The Secretary of State must, within three months of the publication of the report under subsection (5), lay before both Houses of Parliament a statement setting out the Secretary of State’s response to the report.”

***Member's explanatory statement***

*This amendment seeks to require the Secretary of State to commission an independent review into the pension losses incurred by former employees of AEA Technology.*

VISCOUNT THURSO  
BARONESS ALTMANN

**162** After Clause 117, insert the following new Clause –

**“Discharge of liabilities in respect of compensation: commencement**

- (1) The Secretary of State must, within three months of the day on which this Act is passed, make regulations to commence the provisions laid out in section 169(2)(d) of the Pensions Act 2004 (discharge of liabilities in respect of compensation: cash sum).
- (2) The regulations under this section are subject to the negative procedure.”

LORD PALMER OF CHILDS HILL

**163** After Clause 117, insert the following new Clause –

**“Universal pension advice entitlement**

- (1) The Secretary of State must by regulations establish a system to ensure that every individual has a right to receive free, impartial pension advice at prescribed times.
- (2) Regulations under subsection (1) must provide for individuals to be offered advice –

- (a) at or around the age of 40, and
  - (b) at a prescribed age, not more than six years before the individual's expected retirement age.
- (3) The regulations must make provision about –
- (a) the content and scope of the free, impartial pension advice, which may include, but is not limited to, guidance on –
    - (i) pension types (including both defined contribution and defined benefit schemes),
    - (ii) investment strategies,
    - (iii) charges,
    - (iv) consolidation of pension pots, and
    - (v) retirement income options;
  - (b) the qualifications, independence, and impartiality requirements for any person or body providing advice;
  - (c) the means by which individuals are notified of their entitlement to receive the advice and how they may access it;
  - (d) the roles and responsibilities of pension scheme trustees, managers, and providers in facilitating access to advice;
  - (e) the sharing of member information with prescribed persons or bodies subject to appropriate data protection safeguards.
- (4) Regulations under this section may –
- (a) make different provision for different descriptions of pension schemes or different descriptions of individuals;
  - (b) confer functions in connection with the provision or oversight of the advice on –
    - (i) the Pensions Regulator,
    - (ii) the Financial Conduct Authority,
    - (iii) the Money and Pensions Service, or
    - (iv) other prescribed bodies;
  - (c) require the provision of funding for the advice service from prescribed sources.
- (5) Regulations under this section are subject to the affirmative procedure.”

***Member's explanatory statement***

*This new clause makes provision by regulations for everyone to receive free, impartial pension advice at age 40 and again around five years before their expected retirement.*

## LORD PALMER OF CHILDS HILL

164 After Clause 117, insert the following new Clause –

**“Independent review of forfeiture of survivor pensions in police pension schemes**

- (1) The Secretary of State must commission an independent review into the impact and fairness of provisions within police pension schemes that result in the forfeiture, reduction, or suspension of survivor pensions on the grounds of –
  - (a) remarriage or entry into a civil partnership by the surviving partner of a deceased scheme member, or
  - (b) cohabitation with another person as if married or in a civil partnership.
- (2) The review must examine –
  - (a) the legal and policy basis for such provisions;
  - (b) the financial, social, and emotional impact on affected individuals and families;
  - (c) consistency with other public sector pension schemes, including schemes for –
    - (i) the Armed Forces,
    - (ii) the NHS, and
    - (iii) the civil service;
  - (d) potential options for reform, including retrospective reinstatement of pensions;
  - (e) any other matters the Secretary of State considers relevant.
- (3) The Secretary of State must –
  - (a) appoint an independent person or panel with relevant legal, pensions, and public policy expertise to conduct the review, and
  - (b) publish the terms of reference no later than three months after this Act is passed.
- (4) The person or panel appointed under subsection (3) must –
  - (a) consult with relevant stakeholders, including –
    - (i) the National Association of Retired Police Officers (NARPO),
    - (ii) survivor pension recipients,
    - (iii) police staff associations, and
    - (iv) pensions experts,
  - (b) consider written and oral evidence submitted by affected individuals, and
  - (c) publish a report of its findings and recommendations within 12 months of appointment.
- (5) The Secretary of State must lay the report under subsection (4)(c) before both Houses of Parliament as soon as practicable after receiving it.”

***Member's explanatory statement***

*This new clause would require the Secretary of State to commission an independent review into the impact and fairness of provisions within police pension schemes that result in the forfeiture, reduction, or suspension of survivor pensions.*

## LORD PALMER OF CHILDS HILL

165 After Clause 117, insert the following new Clause –

**“Independent review into injustices in occupational pension schemes**

- (1) The Secretary of State must, within three months of the day on which this Act is passed, commission an independent review into injustices experienced by members of occupational pension schemes as a result of the actions or omissions of employers, scheme sponsors, or scheme administrators.
- (2) The review must examine, in particular –
  - (a) cases where employers or scheme sponsors failed to adequately support, inform, or protect members in relation to their pension rights or entitlements;
  - (b) the adequacy, accuracy, and timeliness of information provided to scheme members, including information relating to –
    - (i) scheme changes,
    - (ii) benefit reductions or losses,
    - (iii) transfers, mergers, or scheme restructurings, and
    - (iv) risks to accrued pension benefits;
  - (c) the extent to which regulatory oversight, governance arrangements, or fiduciary duties failed to prevent detriment to members;
  - (d) the impact of such failures on affected members, including financial loss, inequality, and hardship in retirement;
  - (e) whether particular groups of members were disproportionately affected, including –
    - (i) lower-paid workers,
    - (ii) women,
    - (iii) disabled people, and
    - (iv) those with non-standard or interrupted working patterns;
  - (f) the effectiveness of existing routes to redress, including complaints procedures, the Pensions Ombudsman, and the courts;
  - (g) potential options for remedy or redress, including –
    - (i) changes to legislation or regulation,
    - (ii) improvements to governance or communication standards, and
    - (iii) mechanisms for compensation or restoration of benefits, together with an assessment of the likely financial implications.
- (3) The review must be conducted by an independent person or panel appointed by the Secretary of State with relevant expertise in –
  - (a) pensions law and administration,
  - (b) public policy and regulation, and
  - (c) administrative justice and consumer protection.
- (4) In conducting the review, the person or panel must –
  - (a) consult with affected scheme members and pensioner groups;

- (b) invite and consider written and oral evidence from stakeholders, including –
    - (i) trade unions,
    - (ii) employer and industry bodies,
    - (iii) pensions experts, and
    - (iv) relevant regulatory and advisory bodies;
  - (c) have regard to relevant findings of Parliamentary committees and public bodies.
- (5) The person or panel appointed under subsection (3) must submit a report of its findings and recommendations to the Secretary of State within 12 months of the date on which the review is commissioned.
- (6) The Secretary of State must –
- (a) lay the report before both Houses of Parliament as soon as reasonably practicable after receiving it;
  - (b) within six months of laying the report, publish a statement setting out the Government’s response to the review and any actions it proposes to take.”

***Member's explanatory statement***

*This new clause would require the Secretary of State to commission an independent review into injustices experienced by members of occupational pension schemes where employers or scheme sponsors have failed to properly support, inform, or protect members, and to consider options for reform or redress.*

LORD SHARKEY

166 [Withdrawn]

BARONESS HAYMAN  
 BARONESS PENN  
 LORD SHARKEY  
 BARONESS GRIFFIN OF PRINCETHORPE

167 After Clause 117, insert the following new Clause –

**“Clarification of pension scheme investment duties**

- (1) In section 36 of the Pensions Act 1995 (choosing investments), after subsection (9) insert –
  - “(10) In complying with requirements imposed by this section and regulations, a trustee or manager must have regard to guidance prepared from time to time by the Secretary of State.”
- (2) The Secretary of State must, within six months of the day on which this Act is passed, issue and thereafter maintain statutory guidance for trustees of trust schemes in relation to the discharge of their investment duties.

- (3) The statutory guidance must set out (amongst other matters) the ways in which trustees may, when investing the assets in the best interests of members and beneficiaries, take into account—
  - (a) the risks and opportunities provided by matters such as climate change, environmental and social factors, and
  - (b) members' and beneficiaries' standards of living.
- (4) The Secretary of State must issue and thereafter maintain corresponding guidance within the same six-month period for the Local Government Pension Scheme.
- (5) The Financial Conduct Authority must issue and thereafter maintain corresponding guidance within the same six-month period for providers of pension schemes to which Part 7A of the Financial Services and Markets Act 2000 (as inserted by section 48 of this Act) applies.
- (6) Before publishing the statutory guidance for the first time, the Secretary of State must lay the draft guidance before Parliament.
- (7) The Secretary of State must withdraw the draft guidance if, before the end of the 40-day period, either House of Parliament resolves not to approve it.”

***Member's explanatory statement***

*This new clause seeks to ensure that statutory guidance, to which trustees must have regard, is issued within six months of Royal Assent to clarify investment duties of occupational pension schemes, including a range of risks and opportunities and beneficiaries' standards of living. It also requires the FCA and Secretary of State for Housing, Communities and Local Government to issue corresponding guidance for workplace personal pension schemes and the Local Government Pension Scheme.*

BARONESS ALTMANN

168 [Withdrawn]

BARONESS STEDMAN-SCOTT  
VISCOUNT YOUNGER OF LECKIE

169 After Clause 117, insert the following new Clause—

**“Review of pension communications and financial promotion rules**

- (1) The Secretary of State must, within 12 months of the day on which this Act is passed, conduct a review of all legislation, regulation and guidance governing marketing, financial promotion and member communications in relation to occupational and personal pension schemes.
- (2) The review must consider whether existing rules unduly restrict pension providers from—
  - (a) communicating risks, warnings, and comparative information to scheme members;

- (b) providing guidance and targeted support on decumulation options, fund choice, consolidation, and value for money;
  - (c) supporting informed member decision-making and actions without constituting regulated financial advice, through either guidance or targeted support.
- (3) The Secretary of State must lay a report of the review before both Houses of Parliament.”

LORD SHARKEY  
BARONESS HAYMAN  
BARONESS GRIFFIN OF PRINCETHORPE  
BARONESS BENNETT OF MANOR CASTLE

**170** After Clause 117, insert the following new Clause—

**“Fossil fuels and climate risk**

- (1) The Pensions Act 1995 is amended according to subsections (2) and (3).
- (2) After section 41B (climate change risk: publication of information), insert—

**“41BA Climate change risk and occupational pension schemes: Secretary of State duty**

- (1) The Secretary of State must collect information on, or estimates of—
  - (a) the amount, and
  - (b) the change in the amount of,relevant assets held by the trustees of occupational pension schemes.
- (2) The Secretary of State must prepare and publish an annual report on the information collected under subsection (1).
- (3) Regulations may require the trustees or managers of an occupational pension scheme of a prescribed description to supply the information in subsection (1).

**41BB Climate change risk: relevant assets**

- (1) The relevant assets in sections 41BA are issuance by issuers which—
  - (a) derive 10% or more of their annual revenue from the production, transport or combustion of thermal coal,
  - (b) produce more than 10 million tonnes of thermal coal each year,
  - (c) are developing new mines, new power plants or new infrastructure for the extraction or use of thermal coal,
  - (d) derive more than 5GW of power generation capacity from thermal coal, or
  - (e) derive more than 10% of power generation capacity from thermal coal.

- (2) Within two years of the day on which the Pension Schemes Act 2026 is passed, and every three years thereafter, the Secretary of State must consider whether the definition of relevant assets should be extended to include certain forms of issuance by other issuers deriving a certain proportion or amount of revenue from certain other fossil fuel-related activities.
- (3) The Secretary of State may, by regulations, give effect to the outcome of the considerations in subsection (2).
- (4) In this section –
  - “issuance” means all investable assets, including equity and debt;
  - “thermal coal” means coal and lignite used in the generation of electricity and in providing heat for industrial or residential purposes.”
- (3) In section 41C (compliance) for “section 41A or 41B”, in each place it occurs, substitute “any of sections 41A to 41BB”.
- (4) The Financial Conduct Authority must make general rules with effects corresponding to the provisions inserted by subsection (2) for providers of pension schemes to which Part 7A of the Financial Services and Markets Act 2000 (inserted by section 48 of this Act) applies.
- (5) The Secretary of State must by regulations make provision with effects corresponding to the provisions inserted by subsection (2) for the Local Government Pension Scheme.
- (6) Regulations under this section are subject to the affirmative procedure.”

***Member's explanatory statement***

*This amendment would require pension investments in thermal coal by private sector occupational schemes, workplace personal pension schemes and the LGPS to be annually monitored and reported on. It also requires periodic consideration of whether the range of reported-on assets should be extended.*

**The Schedule**

BARONESS SHERLOCK

**171** The Schedule, page 158, leave out lines 18 to 20 and insert –

“(da) sections 20, 26 and 28A to 28I of the Pensions Act 2008 (scale and asset allocation),”;

***Member's explanatory statement***

*This amendment would provide for the Pensions Regulator to issue codes of practice in relation to sections 20, 26 and 28A to 28I of the Pensions Act 2008 (scale and asset allocation).*

**Clause 120**

LORD SHARKEY

172 [Withdrawn]

**Clause 121**

BARONESS SHERLOCK

173 Clause 121, page 153, line 35, at end insert—

“(2A) Chapter 2A of Part 4 extends to England and Wales, Scotland and Northern Ireland.”

***Member's explanatory statement***

*This amendment provides for the new Chapter referred to in the explanatory statement for the amendment in the name of Baroness Sherlock to insert the new clause “Establishment of new public schemes and transfer of rights” to have UK extent (as the AWE Pension Scheme may have members living across the United Kingdom).*

**Clause 122**

BARONESS SHERLOCK

174 Clause 122, page 154, line 9, at end insert—

“(za) Chapter 1 comes into force on such day as the Secretary of State may by regulations appoint;”

***Member's explanatory statement***

*This amendment would provide for Chapter 1 of Part 2 of the Bill (value for money) to come into force on such day as the Secretary of State may by regulations appoint.*

BARONESS SHERLOCK

175 Clause 122, page 154, line 10, leave out “Chapters 1 and 2 come” and insert “Chapter 2 comes”

***Member's explanatory statement***

*This amendment is consequential on the amendment in the name of Baroness Sherlock to clause 122 at page 154, line 9.*

BARONESS BOWLES OF BERKHAMSTED

176 Clause 122, page 154, leave out lines 32 and 33

## BARONESS SHERLOCK

177 Clause 122, page 155, line 2, at end insert –

“(9A) Chapter 2A of Part 4 comes into force on the day on which this Act is passed (to the extent this is not already the case as a result of subsection (1)).”

***Member's explanatory statement***

*This amendment provides for commencement of the new Chapter referred to in the explanatory statement for the amendment in the name of Baroness Sherlock to insert the new clause “Establishment of new public schemes and transfer of rights”.*

## BARONESS SHERLOCK

178 Clause 122, page 155, line 14, at end insert –

“(f) section (*Investment principles and choosing investments: guidance*) comes into force at the end of the period of two months beginning with the day on which this Act is passed.”

***Member's explanatory statement***

*This amendment is consequential on the new Clause in the name of Baroness Sherlock to be inserted after Clause 117 and relating to “Investment principles and choosing investments: guidance”.*



# Pension Schemes Bill

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THIRD MARSHALLED  
LIST OF AMENDMENTS  
TO BE MOVED  
ON REPORT

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*20 March 2026*

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