Steve Webb

That if, on Tuesday 19 July, references to specific times in the Standing Orders of this House apply as if that day were a Wednesday, the Order of the Committee of 5 July shall be amended as follows—

(1) in paragraph (1)(e) leave out ‘10.30 am and 4.00 pm’ and insert ‘9.00 am and 1.30 pm’;
(2) in paragraph (3) leave out ‘7.00 pm’ and insert ‘4.30 pm’.

Agreed to

Fees and charges

Teresa Pearce

Withdrawn NC6

To move the following Clause:—

‘(1) The Pensions Act 2008 is amended as follows.
(2) In section 26(4)(6) after “pay reference period” insert “, taking into account the level of charges.”.’

Transfers

Teresa Pearce

Withdrawn NC7

To move the following Clause:—

‘(1) The Pensions Act 2008 is amended as follows.
(2) After section 16(2) insert—
Pensions Bill [Lords], continued

“(2A) The Secretary of State shall make regulations to enable transfers of qualifying pension schemes into and out of the National Employment Savings Trust.”.

Information about pensions

Teresa Pearce

To move the following Clause:—

‘The Secretary of State shall create a single place where all relevant information of pensions is available for employers and employees.’.

Contribution limits

Teresa Pearce

To move the following Clause:—

‘(1) The Pensions Act 2008 is amended as follows.
(2) omit section 70 (Contribution Limits).’.

UK personal pension schemes: additional protection

Teresa Pearce

To move the following Clause:—

‘(1) The Pensions Act 2008 is amended as follows.
(2) In section 26(4)(b), at end insert “, ensuring they are protected to the same level as stakeholder terms and conditions.”’.

Steve Webb

Agreed to 38

Clause 15, page 10, line 24, at end insert—

‘( ) Schedule 3 to the 1993 Act (which sets out methods for revaluing accrued benefits for the purposes of section 84 of the 1993 Act) is amended as follows.
( ) After paragraph 1(4) insert—
“(5) The sub-paragraphs above are subject to sub-paragraph (6).

(6) If paragraph 2A applies to the pension or other benefit, the final salary method is to apply the requirement of the rules of the scheme mentioned in paragraph 2A(1).”

( ) After paragraph 2 insert—

“2A (1) This paragraph applies to the pension or other benefit if the rules of the scheme under which it is payable contain a requirement that the accrued benefit be revalued by adding to the accrued benefit an amount of at least the relevant amount.

(2) “The accrued benefit” has the same meaning as in paragraph 1.

(3) “The relevant amount” means the amount which, ignoring paragraph 1(5) and (6), would be the additional amount specified in paragraph 1(1A), (1B), (1C) or (1D) (as the case may be) were the appropriate higher revaluation percentage and the appropriate lower revaluation percentage to be determined on the following basis.

(4) The higher revaluation percentage and the lower revaluation percentage for the revaluation period mentioned in paragraph 2(7) are to be taken to be the percentages which would have been specified in the Secretary of State’s order—

(a) had the following been substituted for paragraph 2(3)(a)—

“(a) the percentage increase in the retail prices index for the reference period in relation to the revaluation period (“the inflation percentage”), and”,

(b) had, in paragraph 2(3A)(a), the words “the percentage which appears to the Secretary of State to be” been omitted,

(c) had paragraph 2(4) been omitted,

(d) had, in paragraph 2(5), the words “sub-paragraph (3)(a)” been substituted for “that sub-paragraph”,

(e) had, in paragraph (b) of the definitions of “the higher maximum rate” and “the lower maximum rate” in paragraph 2(6), the words “retail prices index” been substituted for “general level of prices”, and

(f) had the following been inserted after paragraph 2(6)—

“(6A) In this paragraph “retail prices index” means—

(a) the general index of retail prices (for all items) published by the Statistics Board (or any predecessor), or

(b) where that index is not published for a month, any substituted index or figures published by the Board (or any predecessor).”

Steve Webb

Agreed to 39

Clause 15, page 10, line 27, leave out ‘subsection (4) substitute—’ and insert ‘subsections (3) and (4) substitute—’

“(3) Subsection (2) does not apply to the annual rate of a pension under an occupational pension scheme, or to a part of that rate, if under the rules of the scheme the rate or part is for the time being being increased at
intervals of not more than twelve months by at least the relevant percentage.’.

Steve Webb

Clause 15, page 10, line 33, leave out from beginning to end of line 36 on page 11 and insert—

‘(4ZA) Subsection (2) does not apply to the annual rate of a pension under an occupational pension scheme, or to a part of that rate, if subsection (4ZB) applies to the rate or part.

(4ZB) Subject to subsection (4ZD), this subsection applies to the rate or part if, under the rules of the scheme, the rate or part is for the time being being increased, and since the relevant time has always been increased, at intervals of not more than twelve months by at least—

(a) the percentage increase in the retail prices index for the reference period, being a period determined, in relation to each periodic increase, under the rules, or

(b) if lower, the default percentage for that period.

(4ZC) In subsection (4ZB) “the relevant time” means—

(a) the beginning of 2011 or, if later, the time when the pension became a pension in payment, or

(b) if the pension was transferred to the scheme from another occupational pension scheme as a pension in payment after the beginning of 2011, the time of the transfer.

(4ZD) If the pension was transferred to the scheme as mentioned in subsection (4ZC)(b), subsection (4ZB) does not apply to the rate or part unless, immediately before the transfer, subsection (4ZB) (read with this subsection if relevant) applied to the rate or part by reference to the scheme from which the pension was transferred (or would have applied had subsection (4ZB) been in force immediately before the transfer).’.

Steve Webb

Clause 15, page 11, line 39, leave out ‘(4)’ and insert ‘(3)’.

Steve Webb

Clause 15, page 11, line 42, leave out ‘to (4ZD)’ and insert ‘and (4ZB)’.

Clause, as amended, agreed to.

Clause 16 agreed to on division.
Steve Webb

Clause 17, page 13, line 23, after ‘period’, insert ‘on or after that day’.

Agreed to 10

Steve Webb

Clause 17, page 13, line 41, after ‘(3)(b)’, insert ‘includes a promise that’.

Agreed to 11

Steve Webb

Clause 17, page 13, line 42, leave out ‘includes a promise that’.

Agreed to 12

Clause 17, page 13, line 44, leave out from beginning to end of line 4 on page 14 and insert—

‘(b) the rate or amount of a benefit will represent a particular proportion of the available sum.’.

Agreed to 13

Clause 17, page 14, line 4, at end insert—

‘( ) But a pension is not prevented from being a cash balance benefit merely because under the scheme there is a promise that—

(a) the rate or amount of a benefit payable in respect of a deceased member will be a particular proportion of the rate or amount of a benefit which was (or would have been) payable to the member;

(b) the amount of a lump sum payable to a member, or in respect of a deceased member, will represent a particular proportion of the available sum.’.

Clause, as amended, agreed to.

Clause 18 agreed to.

Schedule 4 agreed to.

Clauses 19 to 24 agreed to.

NEW CLAUSES RELATING TO PART 3

Triennial Report

Rachel Reeves

To move the following Clause:—

‘(1) The Secretary of State must publish a triennial report about the impact of CPI on accrued benefits and pensions.

Not called NC11
(2) The report required under subsection (1) must, in particular, include an assessment of the impact of the measure on—
   (a) scheme members;
   (b) employers;
   (c) tax-payers; and
   (d) pension protection fund levy-payers.’.

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Occupational pensions schemes (investment)

Cathy Jamieson
Sheila Gilmore

Withdrawn  NC12

To move the following Clause:—

‘(1) The Occupational Pension Schemes (Investment) Regulations 2005 are amended as follows—
   (a) after regulation 4(2) insert—

   “(2A) The powers of investment, or the discretion, must be exercised in the way considered, in good faith, most likely to promote the interests of the scheme for the benefit of its members and beneficiaries as a whole, having regard (amongst other matters) to—
   (a) the likely consequences of any decision in the long term;
   (b) the impact of the scheme’s investment activities on the stability of the financial system and on the economy;
   (c) environmental, social and governance considerations, including the environmental and social impact of the scheme’s investment activities;
   (d) the desirability of the scheme maintaining a reputation for high standards of commercial conduct;
   (e) the desirability of ascertaining and of taking into account the views, including the ethical views, of members and beneficiaries in relation to the scheme’s investment policy; and
   (f) the need to act fairly as between the members and beneficiaries, including as between present and future members and beneficiaries.”;

   (b) in regulation (4)c11, insert—

   ““benefit” means—
   (a) financial benefit; and
   (b) any non-financial benefit which the trustee considers can be conferred on members and beneficiaries without any material prejudice to their financial benefit.”’.

Clause 25 agreed to.
Pensions Bill [Lords], continued

Schedule 5 agreed to.

Clauses 26 to 29 agreed to.

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REMAINING NEW CLAUSE

Allied Steel and Wire

Hywel Williams

To move the following Clause:—

‘(1) The Secretary of State shall commission a review of measures enabled to help former employees of Allied Steel and Wire.

(2) The review should be written by an independent board of experts with the aim of ensuring the best treatment of former employees of Allied Steel and Wire and will make recommendations for future support for former employees.

(3) This review should be conducted and report back within six months of Royal Assent.’.

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Steve Webb

Clause 30, page 19, line 20, leave out subsection (2).

Clause agreed to.

Bill, as amended, to be reported.