

Pension Schemes Bill [HL]

MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
ON REPORT

The amendments have been marshalled in accordance with the Order of 25th June 2020, as follows –

| | |
|-------------------|--------------------|
| Clauses 1 to 6 | Clause 47 |
| Schedule 1 | Clause 98 |
| Clauses 52 to 57 | Clause 48 |
| Schedule 4 | Schedule 3 |
| Clauses 7 to 17 | Clause 99 |
| Clauses 58 to 68 | Schedule 6 |
| Clauses 18 to 23 | Clauses 49 to 51 |
| Clauses 69 to 74 | Clauses 100 to 116 |
| Clauses 24 and 25 | Schedule 7 |
| Clauses 75 and 76 | Clause 117 |
| Clauses 26 to 30 | Schedule 8 |
| Clauses 77 to 81 | Clauses 118 to 120 |
| Clauses 31 to 44 | Schedule 9 |
| Schedule 2 | Clauses 121 to 123 |
| Clause 45 | Schedule 10 |
| Clauses 82 to 95 | Clauses 124 to 129 |
| Schedule 5 | Schedule 11 |
| Clause 96 | Clauses 130 to 132 |
| Clause 46 | Title |
| Clause 97 | |

[Amendments marked ★ are new or have been altered]

**Amendment
No.**

Clause 11

BARONESS STEDMAN-SCOTT

1 Page 7, line 16, leave out “The first”

Member’s explanatory statement

This amendment and the Minister’s amendment at page 7, line 18, make all regulations under Clause 11(3)(a) subject to affirmative resolution procedure (see Clause 51(5)).

LORD SHARKEY

2★ Page 7, line 18, leave out subsection (8)

Member's explanatory statement

This is a probing amendment to enable discussion of the Government's retention of the negative procedure in this subsection.

BARONESS STEDMAN-SCOTT

3 Page 7, line 18, leave out "Subsequent regulations under subsection (3)(a), and"

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 7, line 16.

Clause 12

BARONESS STEDMAN-SCOTT

4 Page 7, line 30, leave out "The first"

Member's explanatory statement

This amendment and the Minister's amendment at page 7, line 32, make all regulations under Clause 12(2)(b) subject to affirmative resolution procedure (see Clause 51(5)).

5 Page 7, line 32, leave out subsection (5)

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 7, line 30.

Clause 13

BARONESS STEDMAN-SCOTT

6 Page 8, line 28, leave out "The first"

Member's explanatory statement

This amendment and the Minister's amendment at page 8, line 30, make all regulations under Clause 13(3) subject to affirmative resolution procedure (see Clause 51(5)).

7 Page 8, line 30, leave out subsection (9)

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 8, line 28.

Clause 14

BARONESS DRAKE
BARONESS SHERLOCK
BARONESS BOWLES OF BERKHAMSTED

8★ Page 9, line 9, at end insert —

"(c) specifying requirements to be met by an employer using or intending to use a qualifying scheme under section 3(3) in respect of the costs under subsection (2) of this section."

Member's explanatory statement

This amendment would give a power to the regulator to seek a contribution from an employer, using or intending to use a qualifying scheme, to the financial resources available to meet the costs of setting up and running the scheme or resolving a triggering event.

BARONESS STEDMAN-SCOTT

9 Page 9, line 10, leave out “The first”

Member's explanatory statement

This amendment and the Minister's amendment at page 9, line 12, make all regulations under Clause 14(3) subject to affirmative resolution procedure (see Clause 51(5)).

10 Page 9, line 12, leave out subsection (6)

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 9, line 10.

Clause 15

BARONESS STEDMAN-SCOTT

11 Page 9, line 41, leave out “The first”

Member's explanatory statement

This amendment and the Minister's amendment at page 9, line 43, make all regulations under Clause 15(4)(a) subject to affirmative resolution procedure (see Clause 51(5)).

12 Page 9, line 43, leave out subsection (7)

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 9, line 41.

Clause 16

BARONESS ALTMANN

13★ Page 10, line 28, at end insert –

“() processes for regular member data accuracy audits, reporting of error rates in member records and reporting on resolution of any errors.”

Member's explanatory statement

As CDC schemes will be starting afresh, this amendment is designed to ensure the Regulator requires systems and processes to be put in place to verify and correct members' data records on a regular basis and provide reports to the Regulator.

BARONESS STEDMAN-SCOTT

14 Page 10, line 29, leave out “The first”

Member's explanatory statement

This amendment and the Minister's amendment at page 10, line 31, make all regulations under Clause 16(2) subject to affirmative resolution procedure (see Clause 51(5)).

15 Page 10, line 31, leave out subsection (6)

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 10, line 29.

Clause 17

BARONESS STEDMAN-SCOTT

16 Page 11, line 18, leave out "The first"

Member's explanatory statement

This amendment and the Minister's amendment at page 11, line 20 make all regulations under Clause 17 subject to affirmative resolution procedure (see Clause 51(5)).

17 Page 11, line 20, leave out subsection (11)

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 11, line 18.

Clause 62

BARONESS STEDMAN-SCOTT

18 Page 47, line 6, leave out "The first"

Member's explanatory statement

This amendment and the Minister's amendment at page 47, line 8, make all regulations under Clause 62(3)(a) subject to confirmatory procedure (see Clause 102(5)).

19 Page 47, line 8, leave out "Subsequent regulations under subsection (3)(a), and"

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 47, line 6.

Clause 63

BARONESS STEDMAN-SCOTT

20 Page 47, line 20, leave out "The first"

Member's explanatory statement

This amendment and the Minister's amendment at page 47, line 22, make all regulations under Clause 63(2)(b) subject to confirmatory procedure (see Clause 102(5)).

21 Page 47, line 22, leave out subsection (5)

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 47, line 20.

Clause 64

BARONESS STEDMAN-SCOTT

22 Page 48, line 19, leave out “The first”

Member’s explanatory statement

This amendment and the Minister’s amendment at page 48, line 21, make all regulations under Clause 64(3) subject to confirmatory procedure (see Clause 102(5)).

23 Page 48, line 21, leave out subsection (9)

Member’s explanatory statement

See the explanatory statement for the Minister’s amendment at page 48, line 19.

Clause 65

BARONESS STEDMAN-SCOTT

24 Page 49, line 1, leave out “The first”

Member’s explanatory statement

This amendment and the Minister’s amendment at page 49, line 3, make all regulations under Clause 65(3) subject to confirmatory procedure (see Clause 102(5)).

25 Page 49, line 3, leave out subsection (6)

Member’s explanatory statement

See the explanatory statement for the Minister’s amendment at page 49, line 1.

Clause 66

BARONESS STEDMAN-SCOTT

26 Page 49, line 31, leave out “The first”

Member’s explanatory statement

This amendment and the Minister’s amendment at page 49, line 33, make all regulations under Clause 66(4)(a) subject to confirmatory procedure (see Clause 102(5)).

27 Page 49, line 33, leave out subsection (7)

Member’s explanatory statement

See the explanatory statement for the Minister’s amendment at page 49, line 31.

Clause 67

BARONESS STEDMAN-SCOTT

28 Page 50, line 20, leave out “The first”

Member's explanatory statement

This amendment and the Minister's amendment at page 50, line 22, make all regulations under Clause 67(2) subject to confirmatory procedure (see Clause 102(5)).

29 Page 50, line 22, leave out subsection (6)

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 50, line 20.

Clause 68

BARONESS STEDMAN-SCOTT

30 Page 51, line 7, leave out "The first"

Member's explanatory statement

This amendment and the Minister's amendment at page 51, line 8, make all regulations under Clause 68 subject to confirmatory procedure (see Clause 102(5)).

31 Page 51, line 8, leave out subsection (11)

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 51, line 7.

Clause 27

LORD SHARKEY

LORD VAUX OF HARROWDEN

BARONESS BOWLES OF BERKHAMSTED

32★ Page 18, line 10, leave out "The notice" and insert "Any such notice must include the requirement that trustees make an assessment of the extent to which the scheme is operating in a manner fair to all members and"

Member's explanatory statement

This amendment would require any notice from the Secretary of State to CDC scheme trustees to include a requirement to report on the fairness to members of the operation of the scheme.

Clause 46

BARONESS BENNETT OF MANOR CASTLE

33★ Page 37, line 14, at end insert—

"() require information to be published relating to actions taken by the scheme to ensure diversity considerations are taken into account in the recruitment of the trustee board with regard to—

- (i) age,
- (ii) gender, and
- (iii) ethnicity."

Member's explanatory statement

This amendment will require pension schemes to make available information on the diversity of the trustee board.

34★ Page 37, line 14, at end insert –

“() require information to be published relating to actions taken by the scheme with regard to how scheme investments take environmental, social, and governance factors into account.”

Member’s explanatory statement

This amendment adds requirements for reporting on broader environmental and social issues. It does not require it to be included on the dashboards, but it could be published elsewhere.

Clause 47

BARONESS STEDMAN-SCOTT

35 Page 37, line 31, leave out subsection (2)

Member’s explanatory statement

This amendment and the Minister’s other amendments to Clause 47 are intended to make clear that regulations under the Clause may only be made in connection with collective money purchase schemes established by non-employers, or used by multiple employers not all of whom are connected with one another.

36 Page 37, line 35, leave out “relevant schemes” and insert “collective money purchase schemes that could not be qualifying schemes, or sections of qualifying schemes, but for regulations under subsection (1) (“relevant schemes”)

Member’s explanatory statement

See the explanatory statement for the Minister’s amendment at page 37, line 31.

37 Page 37, line 36, after “of” insert “relevant”

Member’s explanatory statement

See the explanatory statement for the Minister’s amendment at page 37, line 31.

38 Page 38, line 4, leave out subsection (5) and insert –

“(5) The provision that may be made under subsection (1) or (2) may be made by –
 (a) modifying or amending this Part;
 (b) making consequential modifications or amendments of any other enactment.”

Member’s explanatory statement

See the explanatory statement for the Minister’s amendment at page 37, line 31.

Clause 98

BARONESS STEDMAN-SCOTT

39 Page 77, line 25, leave out subsection (2)

Member's explanatory statement

This amendment and the Minister's other amendments to Clause 98 are intended to make clear that regulations under the Clause may only be made in connection with collective money purchase schemes established by non-employers, or used by multiple employers not all of whom are connected with one another.

- 40 Page 77, line 28, leave out “relevant schemes” and insert “collective money purchase schemes that could not be qualifying schemes, or sections of qualifying schemes, but for regulations under subsection (1) (“relevant schemes”)

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 77, line 25.

- 41 Page 77, line 30, after “of” insert “relevant”

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 77, line 25.

- 42 Page 77, line 42, leave out subsection (5) and insert –

- “(5) The provision that may be made under subsection (1) or (2) may be made by –
- (a) modifying or amending this Part;
 - (b) making consequential modifications or amendments of any other statutory provision.”

Member's explanatory statement

See the explanatory statement for the Minister's amendment at page 77, line 25.

Schedule 3

BARONESS STEDMAN-SCOTT

- 43 Page 130, line 4, at end insert –

- “3A In section 186 (Parliamentary control of orders and regulations), in subsection (3) (statutory instruments subject to affirmative resolution procedure), after paragraph (f) insert “, or
- (g) regulations under section 99(2)(c), or
 - (h) regulations under section 99A(2)(b),”.

Member's explanatory statement

This amendment makes regulations under sections 99(2)(c) and 99A(2)(b) of the Pension Schemes Act 1993 (inserted by Clause 25(4)(c) and (5) of the Bill) subject to the affirmative resolution procedure described in subsection (3) of section 186 of that Act, subject to the exceptions in subsection (4) of that section.

Schedule 6

BARONESS STEDMAN-SCOTT

- 44 Page 138, line 30, at end insert –

- “3A In section 181 (Assembly, etc. control of regulations and orders), in subsection (2) (regulations and orders subject to confirmatory procedure), after “20B(5)” insert “, 95(2)(c), 95A(2)(b)”.

Member's explanatory statement

This amendment makes regulations under sections 95(2)(c) and 95A(2)(b) of the Pension Schemes (Northern Ireland) Act 1993 (inserted by Clause 76(4)(c) and (5) of the Bill) subject to the confirmatory procedure described in subsection (1) of section 181 of that Act, subject to the exceptions in subsection (3) of that section.

Clause 51

BARONESS BOWLES OF BERKHAMSTED
BARONESS JANKE

45 Page 40, line 31, at end insert –

“(2A) A power to make regulations under this Part may not be used to create a new regulator.”

Clause 107

BARONESS NOAKES
BARONESS ALTMANN
BARONESS NEVILLE-ROLFE

46 Page 90, line 36, at end insert “, and

(d) the person was –

(i) an employer in relation to the scheme, or

(ii) a person connected with or an associate of the employer.”

Member's explanatory statement

This amendment confines the criminal offences in Clause 107 to persons connected with the pension scheme employer.

47 Page 91, line 39, at end insert “, and

(d) the person was –

(i) an employer in relation to the scheme, or

(ii) a person connected with or an associate of the employer.”

Member's explanatory statement

This amendment confines the criminal offences in Clause 107 to persons connected with the pension scheme employer.

48 Page 92, line 38, after “who was” insert –

(a) an employer in relation to the scheme, or

(b) a person connected with or an associate of the employer, and
who was”

Member's explanatory statement

This amendment confines the financial penalties in Clause 107 to persons connected with the pension scheme employer.

49 Page 93, line 31, after “who was” insert –

(a) an employer in relation to the scheme, or

(b) a person connected with or an associate of the employer, and
who was”

Member's explanatory statement

This amendment confines the financial penalties in Clause 107 to persons connected with the pension scheme employer.

Clause 109

LORD VAUX OF HARROWDEN
BARONESS ALTMANN
BARONESS BOWLES OF BERKHAMSTED

50★ Page 95, line 15, at end insert –

“() In particular, the declaration of a share buy-back by the employer is a notifiable event for the purposes of subsection (1) if the value of the assets of the scheme is less than the amount of the liabilities of the scheme.”

Member's explanatory statement

This amendment makes the declaration of a share buy-back by a company notifiable to the Pensions Regulator if the scheme is in deficit.

LORD VAUX OF HARROWDEN
BARONESS BOWLES OF BERKHAMSTED

51★ Page 95, line 15, at end insert –

“() In particular, the declaration of a dividend by the employer is a notifiable event for the purposes of subsection (1) if –

- (a) the value of the assets of the scheme is less than the amount of the liabilities of the scheme,
- (b) the amount of the dividend exceeds the annual deficit repair contribution, and
- (c) the amount of the annual deficit repair contribution is less than some percentage (to be determined by the Regulator) of the difference between the value of the assets of the scheme and the amount of the liabilities of the scheme.”

Member's explanatory statement

This amendment makes the declaration of a dividend by a company that has a pensions scheme deficit notifiable in advance to the Pensions Regulator if the amount is greater than the annual deficit repair contribution, and the deficit repair period is greater than a period to be determined by the Regulator.

Clause 118

BARONESS SHERLOCK
BARONESS DRAKE
BARONESS JANKE

52 Page 105, line 9, at end insert –

“() Requirements prescribed under subsection (2) must include a requirement that a pensions dashboard service may not include a facility for engaging in financial transaction activities.”

Member's explanatory statement

This amendment ensures that a pensions dashboard service does not include a provision for financial transaction activities.

LORD YOUNG OF COOKHAM

53 Page 106, leave out line 32

Member's explanatory statement

This is a probing amendment, following the debate in Committee, to establish the Government's proposals to use GOV.UK Verify for the purpose of authorising access to the Dashboard.

Clause 119

BARONESS STEDMAN-SCOTT

54 Page 108, line 32, leave out "any" and insert "the"

Member's explanatory statement

This amendment is consequential upon the Minister's amendment at page 117, line 6.

55 Page 108, line 36, leave out "any" and insert "the"

Member's explanatory statement

This amendment is consequential upon the Minister's amendment at page 117, line 6.

BARONESS ALTMANN

BARONESS BOWLES OF BERKHAMSTED

56 Page 109, line 20, at end insert –

“() regular data audits, accuracy checks and error correction reports to be provided to the relevant regulator.”

Member's explanatory statement

A pensions dashboard will require accurate data submissions so the public can rely on the information. This amendment aims to ensure the relevant Regulator imposes duties on trustees or managers of all pension schemes to regularly check and verify accuracy of contribution records for each member.

Schedule 9

BARONESS STEDMAN-SCOTT

57 Page 177, line 33, leave out "any" and insert "the"

Member's explanatory statement

This amendment corresponds to the Minister's amendment at page 108, line 32.

58 Page 177, line 38, leave out "any" and insert "the"

Member's explanatory statement

This amendment corresponds to the Minister's amendment at page 108, line 36.

Clause 121

BARONESS ALTMANN
BARONESS BOWLES OF BERKHAMSTED

- 59 Page 113, line 14, after “pensions information” insert “which has been regularly audited, checked and corrected”

Member’s explanatory statement

A pensions dashboard will require accurate data submissions so the public can rely on the information. This amendment aims to ensure data submitted to pensions dashboards are regularly audited, error-checked and corrected to verify accuracy of contribution records for each member.

BARONESS STEDMAN-SCOTT

- 60 Page 113, line 16, leave out “any” and insert “the”

Member’s explanatory statement

This amendment is consequential upon the Minister’s amendment at page 117, line 6.

- 61 Page 113, line 20, leave out “any” and insert “the”

Member’s explanatory statement

This amendment is consequential upon the Minister’s amendment at page 117, line 6.

Clause 122

BARONESS STEDMAN-SCOTT

- 62 Page 117, line 6, at end insert –

“(A1) The single financial guidance body must provide a pensions dashboard service by means of which –

(a) information that the trustees or managers of a relevant occupational pension scheme are required to provide by –

(i) regulations under section 238D(1)(a)(ii) of the Pensions Act 2004, or

(ii) regulations under Article 215D(1)(a)(ii) of the Pensions (Northern Ireland) Order 2005 (S.I. 2005/255 (N.I. 1)), and

(b) information that specified authorised persons are required to provide by general rules under section 137FAA(1)(a)(ii) of the Financial Services and Markets Act 2000,

may be requested by, and provided to, an individual or a person authorised by the individual.

(A2) The single financial guidance body may, by means of its pensions dashboard service, provide information about –

(a) state pensions,

(b) basic and additional retirement pensions, and

(c) state pension information relating to an individual.”

Member's explanatory statement

This amendment requires the single financial guidance body (the Money and Pensions Service) to provide a pensions dashboard service to deal with information from occupational and personal pensions schemes. It also enables the body to include state pension information in its pensions dashboard service.

BARONESS SHERLOCK
BARONESS DRAKE
LORD VAUX OF HARROWDEN
LORD SHARKEY

As an amendment to Amendment 62

63 After inserted subsection (A2) insert –

“(A3) Before any other pension dashboard services can qualify under section 238A of the Pensions Act 2004 (qualifying pensions dashboard service) –

- (a) the pensions dashboard service under subsection (A1) must have been established for at least one year, and
- (b) the Secretary of State must lay before Parliament a report on the operation and effectiveness of the pensions dashboard service under subsection (A1) in its first year.”

Member's explanatory statement

This amendment ensures that the publicly owned pension dashboard service has been operating for one year and the Government has reported to parliament on its operation and effectiveness before commercial dashboard services can qualify.

BARONESS STEDMAN-SCOTT

64 Page 117, leave out lines 7 to 25

Member's explanatory statement

This amendment is consequential upon the Minister's amendments at page 117, lines 6 and 25.

LORD YOUNG OF COOKHAM
LORD SHARKEY
BARONESS ALTMANN

65 Page 117, line 8, leave out “may” and insert “must”

BARONESS STEDMAN-SCOTT

66 Page 117, line 25, at end insert –

“(1A) The single financial guidance body may carry out other functions relating to pensions dashboard services, including functions for which provision is made by –

- (a) regulations under section 238A of the Pensions Act 2004 or Article 215A of the Pensions (Northern Ireland) Order 2005 (S.I. 2005/255 (N.I. 1)) (qualifying pensions dashboard services),
- (b) regulations under section 238D of the Pensions Act 2004 or Article 215D of the Pensions (Northern Ireland) Order 2005 (S.I. 2005/255 (N.I. 1)) (information from occupational pension schemes), or

Clause 122 - continued

- (c) general rules under section 137FAA of the Financial Services and Markets Act 2000 (information from personal or stakeholder pension schemes).”

Member’s explanatory statement

This amendment enables the Money and Pensions Service to carry out functions relating to pension dashboard services, including functions for which provision is made by the regulations or general rules, whether relating to pension scheme information or state pension information.

67 Page 117, line 25, at end insert –

“(1B) The functions of the single financial guidance body referred to in subsections (A1) to (1A) are part of its pensions guidance function.”

Member’s explanatory statement

This amendment secures that the functions of the Money and Pensions Service referred to in the Minister’s amendment at page 117, line 6, and the Minister’s other amendment at page 117, line 25, are part of its pensions guidance function.

LORD YOUNG OF COOKHAM

68 Page 117, line 25, at end insert –

“() Information provided under subsection (1)(a) must be provided no later than 31 December 2022.”

BARONESS STEDMAN-SCOTT

69 Page 117, line 26, leave out “Subsection (1) is” and insert “Subsections (A1) to (1B) are”

Member’s explanatory statement

This amendment is consequential upon the Minister’s amendments at page 117, lines 6 and 25.

70 Page 117, line 33, at end insert –

““relevant occupational pension scheme” has the meaning given by –

- (a) section 238F of the Pensions Act 2004, in relation to England and Wales and Scotland, and
- (b) Article 215F of the Pensions (Northern Ireland) Order 2005 (S.I. 2005/255 (N.I. 1)), in relation to Northern Ireland;

“specified authorised person” has the meaning given by section 137FAC of the Financial Services and Markets Act 2000;”

Member’s explanatory statement

This amendment is consequential upon the Minister’s amendment at page 117, line 6.

Clause 123

BARONESS BOWLES OF BERKHAMSTED
LORD YOUNG OF COOKHAM
BARONESS ALTMANN

71 Page 118, line 4, at end insert –

- “(2) In exercising any powers to make regulations, or otherwise to prescribe any matter or principle, under Part 3 of the Pensions Act 2004 (scheme funding) as amended by Schedule 10, the Secretary of State must ensure that –
- (a) schemes that are expected to remain open to new members, either indefinitely or for a significant period of time, are treated differently from schemes that are not;
 - (b) scheme liquidity is balanced with scheme maturity;
 - (c) there is a correlation between appropriate investment risk and scheme maturity;
 - (d) affordability of contributions to employers is maintained;
 - (e) affordability of contributions to members is maintained;
 - (f) the closure of schemes that are expected to remain open to new members, either indefinitely or for a significant period of time, is not accelerated; and
 - (g) trustees retain sufficient discretion to be able to comply with their duty to act in the best interests of their beneficiaries.”

Member’s explanatory statement

The liquidity profile of an open and active scheme that is receiving regular, significant cash contributions is very different from a closed scheme. This amendment seeks to ensure that they are treated differently accordingly.

Clause 124

LORD SHARKEY
BARONESS JANKE

72★ Page 118, line 10, leave out “may” and insert “must”

BARONESS HAYMAN
BARONESS JONES OF WHITCHURCH
BARONESS BENNETT OF MANOR CASTLE

73 Page 118, line 13, at end insert –

- “() Regulations under subsection (1) must –
- (a) take account of international climate change treaties to which the United Kingdom is a signatory, including the United Nations Framework Convention on Climate Change concluded in Paris on 12 December 2015, and
 - (b) ensure that the trustees and managers take account of the objectives of those treaties.”

Member's explanatory statement

This amendment ensures that trustees or managers take account of international climate change treaties of which the UK is a signatory, including the Paris Agreement on climate change, in addition to the existing, general provision to secure effective governance of a scheme with respect to the effects of climate change.

LORD SHARKEY
BARONESS JANKE

74★ Page 118, line 14, leave out “may” and insert “must”

BARONESS STEDMAN-SCOTT

75 Page 118, line 33, leave out from “require” to the end of line 36 and insert “—
(a) that assets are assessed by reference to their exposure to risks of a prescribed description, and
(b) that an assessment includes determining the contribution of the assets of the scheme to climate change.”

Member's explanatory statement

This amendment makes separate provision about assessing pension scheme assets' exposure to risk and their contribution to climate change.

76 Page 118, line 36, at end insert —
“(4A) The regulations may require the trustees or managers of the scheme to take into account—
(a) different ways in which the climate might change, and
(b) different steps that might be taken because of climate change.
(4B) Regulations under subsection (4A) may require the trustees or managers of the scheme to adopt prescribed assumptions as to future events, including assumptions about—
(a) the steps that might be taken for the purpose of achieving the Paris Agreement goal or other climate change goal, or
(b) the achievement of the Paris Agreement goal or other climate change goal.”

Member's explanatory statement

This amendment enables regulations under inserted section 41A of the Pensions Act 1995 to require trustees and managers of pension schemes to consider different future scenarios, including scenarios involving the achievement of particular climate change goals.

77 Page 118, line 39, at end insert —
“() In this section “the Paris Agreement goal” means the goal of holding the increase in the average global temperature to well below 2°C above pre-industrial levels referred to in Article 2(1)(a) of the agreement done at Paris on 12 December 2015.”

Member's explanatory statement

This amendment defines the Paris Agreement goal which is mentioned in the Minister's amendment at page 118, line 36.

- 78 Page 118, line 44, at end insert “(which may include information about matters to which regulations under section 41A may relate).”

Member’s explanatory statement

This amendment ensures that information relating to the effects of climate change includes information about the matters to which regulations under inserted section 41A of the Pensions Act 1995 may relate.

BARONESS HAYMAN
BARONESS JONES OF WHITCHURCH
BARONESS BENNETT OF MANOR CASTLE

- 79 Page 118, line 44, at end insert “and how the activities of the scheme take into account the objectives of international climate change treaties of which the United Kingdom is a signatory, including the United Nations Framework Convention on Climate Change concluded in Paris on 12 December 2015.”

Member’s explanatory statement

This amendment is to ensure that regulations under the Bill place requirements on trustees or managers to publish information about how they have taken into account international climate change treaties of which the UK is a signatory, including the Paris Agreement on climate change.

LORD BALFE

- 80★ Page 119, line 13, at end insert –
- “() Regulations under subsection (1) may not provide for the compliance of schemes which have assets under management worth less than £500 million with the provisions under section 41A or 41B.
 - () For schemes which have assets under management worth less than £500 million, regulations must make provision for such a scheme to take into account the United Nations Principles of Responsible Investment in fulfilling its functions, including the requirement for each of its annual reports to contain a statement setting out how the scheme’s investment strategy has taken those principles into account when fulfilling its functions.”

Member’s explanatory statement

This amendment simplifies the requirements to take account of climate change risks without removing them to reduce the burden on schemes with few employees. It makes possible investments in index tracking funds which follow UN Principles of Responsible Investment for small schemes.

Clause 125

BARONESS STEDMAN-SCOTT

- 81 Page 120, line 16, at end insert –
- “(c) the member obtaining information or guidance about exercising the option conferred by subsection (1) from a prescribed person in a prescribed case;
 - (d) providing the trustees or managers with evidence that –

Clause 125 - continued

- (i) the member has complied with a prescribed condition about obtaining such information or guidance from a prescribed person, or
- (ii) the member is not subject to such a prescribed condition.”

Member’s explanatory statement

This amendment enables regulations under inserted section 95(6ZA) of the Pension Schemes Act 1993 to prescribe conditions about obtaining information or guidance from persons such as the Money and Pensions Service, before the trustees or managers may act on a member’s application under section 95.

82 Page 120, line 16, at end insert –

“(6ZC) Regulations may make provision requiring the trustees or managers of a pension scheme to notify a member who makes an application under subsection (1) of conditions prescribed under subsection (6ZA).”

Member’s explanatory statement

This amendment allows regulations to make provision about requiring trustees or managers to notify members of conditions prescribed under section 95(6ZA) of the Pension Schemes Act 1993.

83 Page 120, line 43, at end insert –

- “(c) the member obtaining information or guidance about exercising the right under subsection (1) from a prescribed person in a prescribed case;
- (d) providing the trustees or managers with evidence that –
 - (i) the member has complied with a prescribed condition about obtaining such information or guidance from a prescribed person, or
 - (ii) the member is not subject to such a prescribed condition.”

Member’s explanatory statement

This amendment enables regulations under inserted section 101F(5A) of the Pension Schemes Act 1993 to prescribe conditions about obtaining information or guidance from persons such as the Money and Pensions Service, before the trustees or managers may act on a member’s transfer notice under section 101F.

84 Page 120, line 43, at end insert –

“(5C) Regulations may make provision requiring the trustees or managers of a qualifying scheme to notify an eligible member who gives a transfer notice of conditions prescribed under subsection (5A).”

Member’s explanatory statement

This amendment allows regulations to make provision about requiring trustees or managers to notify members of conditions prescribed under section 101F(5A) of the Pension Schemes Act 1993.

Schedule 11

BARONESS STEDMAN-SCOTT

- 85 Page 190, line 1, leave out from “require” to the end of line 4 and insert “ –
- (a) that assets are assessed by reference to their exposure to risks of a prescribed description, and
 - (b) that an assessment includes determining the contribution of the assets of the scheme to climate change.”

Member’s explanatory statement

This amendment makes provision for Northern Ireland corresponding to the Minister’s amendment at page 118, line 33.

- 86 Page 190, line 4, at end insert –
- “(4A) The regulations may require the trustees or managers of the scheme to take into account –
 - (a) different ways in which the climate might change, and
 - (b) different steps that might be taken because of climate change.
 - (4B) Regulations under paragraph (4A) may require the trustees or managers of the scheme to adopt prescribed assumptions as to future events, including assumptions about –
 - (a) the steps that might be taken for the purpose of achieving the Paris Agreement goal or other climate change goal, or
 - (b) the achievement of the Paris Agreement goal or other climate change goal.”

Member’s explanatory statement

This amendment makes provision for Northern Ireland corresponding to the Minister’s amendment at page 118, line 36.

- 87 Page 190, line 7, at end insert –
- “() In this Article “the Paris Agreement goal” means the goal of holding the increase in the average global temperature to well below 2°C above pre-industrial levels referred to in Article 2(1)(a) of the agreement done at Paris on 12 December 2015.”

Member’s explanatory statement

This amendment makes provision for Northern Ireland corresponding to the Minister’s amendment at page 118, line 39.

- 88 Page 190, line 12, at end insert “(which may include information about matters to which regulations under Article 41A may relate).”

Member’s explanatory statement

This amendment makes provision for Northern Ireland corresponding to the Minister’s amendment at page 118, line 44.

89 Page 191, line 30, at end insert –

- “(c) the member obtaining information or guidance about exercising the option conferred by subsection (1) from a prescribed person in a prescribed case;
- (d) providing the trustees or managers with evidence that –
 - (i) the member has complied with a prescribed condition about obtaining such information or guidance from a prescribed person, or
 - (ii) the member is not subject to such a prescribed condition.”

Member’s explanatory statement

This amendment enables regulations under inserted section 91(6ZA) of the Pension Schemes (Northern Ireland) Act 1993 to prescribe conditions about obtaining information or guidance from persons such as the Money and Pensions Service, before the trustees or managers may act on a member’s application under section 91.

90 Page 191, line 30, at end insert –

- “(6ZC) Regulations may make provision requiring the trustees or managers of a pension scheme to notify a member who makes an application under subsection (1) of conditions prescribed under subsection (6ZA).”

Member’s explanatory statement

This amendment allows regulations to make provision about requiring trustees or managers to notify members of conditions prescribed under section 91(6ZA) of the Pension Schemes (Northern Ireland) Act 1993.

91 Page 192, line 15, at end insert –

- “(c) the member obtaining information or guidance about exercising the right under subsection (1) from a prescribed person in a prescribed case;
- (d) providing the trustees or managers with evidence that –
 - (i) the member has complied with a prescribed condition about obtaining such information or guidance from a prescribed person, or
 - (ii) the member is not subject to such a prescribed condition.”

Member’s explanatory statement

This amendment enables regulations under inserted section 97F(5A) of the Pension Schemes (Northern Ireland) Act 1993 to prescribe conditions about obtaining information or guidance from persons such as the Money and Pensions Service, before the trustees or managers may act on a member’s transfer notice under section 97F.

92 Page 192, line 15, at end insert –

- “(5C) Regulations may make provision requiring the trustees or managers of a qualifying scheme to notify an eligible member who gives a transfer notice of conditions prescribed under subsection (5A).”

Member’s explanatory statement

This amendment allows regulations to make provision about requiring trustees or managers to notify members of conditions prescribed under section 97F(5A) of the Pension Schemes (Northern Ireland) Act 1993.

Pension Schemes Bill [HL]

MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
ON REPORT

25 June 2020
