Pension Schemes Bill

MARSHALLED LIST OF MOTIONS

TO BE MOVED ON CONSIDERATION OF COMMONS REASONS AND AMENDMENTS

[*The page and line references are to HL Bill 152, the Bill as first printed for the Lords*]

MOTION A

LORDS AMENDMENT 1

Clause 2

1 Clause 2, page 4, line 24, at end insert—

"(4A) The provision made by virtue of subsection (1) may not include any provision about investment in specific assets or asset classes or about the location of investments."

COMMONS REASON

The Commons disagree to Lords Amendment 1 for the following Reason—

1A *Because the Commons consider that it is not necessary to include the asset and location provisions mentioned in the amendment.*

A **Baroness Sherlock to move, That this House do not insist on its Amendment 1, to which the Commons have disagreed for their Reason 1A.**

MOTION B

LORDS AMENDMENT 5

After Clause 7

5 After Clause 7, insert the following new Clause—

"Benchmarking of Local Government Pension Scheme liabilities

(1) For each actuarial valuation relating to a scheme for local government workers which has pension funds, an administering authority must obtain and publish—
  (a) the primary valuation used for funding purposes, and
  (b) one or more benchmark valuations of scheme liabilities based on—
    (i) prevailing bulk annuity pricing, and
    (ii) a gilt-based discount rate.

(2) The valuations published under subsection (1) must be published at the same time as the funding strategy statement, and alongside the employer contribution rates arising from the funding valuation.

(3) Where the funding valuation is materially more prudent than the benchmark valuations, the administering authority must publish a statement explaining—
  (a) the risks being guarded against,
  (b) why those risks justify a higher degree of prudence than that reflected in insurer pricing, and
  (c) the impact on employer contribution rates.

(4) The funding strategy statement must include appendices explaining the valuation assumptions, benchmarks, and their effect on contribution rates in a form that is reasonably accessible to a person who is not a qualified actuary.

(5) The statement must be communicated to the relevant local authority and made publicly available.

(6) The documents published under this section must be made available in a manner that enables meaningful consultation by scheme employers and scheme members.

(7) In this section—
  "administering authority" has the same meaning as in Regulation 2 of the Local Government Pension Scheme Regulations 2013 (S.I. 2013/2356);
  "funding strategy statement" has the same meaning as in Regulation 58 of the Local Government Pension Scheme Regulations 2013 (S.I. 2013/2356)."

COMMONS REASON

The Commons disagree to Lords Amendment 5 for the following Reason—

5A *Because the Commons consider that it is not appropriate to impose the publication requirements mentioned in the amendment; given that the next report under section 13 of the Public Service Pensions Act 2013 will be prepared in the near future.*

B **Baroness Sherlock to move, That this House do not insist on its Amendment 5, to which the Commons have disagreed for their Reason 5A.**

B1★ **Viscount Younger of Leckie to move, as an amendment to Motion B, at end insert "and do propose Amendment 5B in lieu—**

5B After Clause 7, insert the following new Clause—

"Review of Triennial Valuation Assumptions and Funding Methodologies in the Local Government Pension Scheme

(1) The Secretary of State must request the Government Actuary's Department to conduct and publish a review of employer contribution rates and funding practices within the Local Government Pension Scheme in England and Wales.

(2) The review must consider, in particular—
  (a) the degree of prudence applied in actuarial valuations across different Local Government Pension Scheme funds,
  (b) the variation in discount rates and other key valuation assumptions used by administering authorities and fund actuaries, and the impact of those variations on employer contribution rates,
  (c) the role of funding stability mechanisms, buffers and other risk-management tools in determining contribution outcomes, and
  (d) the extent to which valuation methodologies, assumptions and decision-making processes are explained to scheme employers in a clear and accessible manner.

(3) The review must be published and laid before Parliament no later than 18 months after the passing of the Act.

(4) Where the review identifies—
  (a) material outliers in employer contribution rates between comparable scheme employers,
  (b) instances where liabilities appear to have been measured on a materially more prudent basis than insurance-based pricing or other relevant market benchmarks, or
  (c) evidence that scheme employers have not been adequately consulted, or that valuation assumptions and contribution outcomes have not been clearly explained to them,

the Secretary of State must ensure that scheme regulations provide that a scheme employer may request an interim review of its employer contribution rate between actuarial valuations.

(5) Scheme regulations made under subsection (4) must set out—
  (a) the process by which an employer may request such a review;
  (b) the matters administering authorities and fund actuaries must take into account when determining such a request, and

(c) the balance to be struck between maintaining the long-term solvency of the Scheme and ensuring transparency and fairness for scheme employers and local taxpayers.””

MOTION C

LORDS AMENDMENT 6

6 After Clause 7, insert the following new Clause—

“Interim reviews of employer contributions rates in the Local Government Pension Scheme

(1) The Secretary of State must by regulations made under section 3 of the Public Service Pensions Act 2013 (scheme regulations) amend the Local Government Pension Scheme Regulations 2013 (S.I. 2013/2356) as follows.

(2) After regulation 58(4) (funding strategy statement), insert—

“(5) The funding strategy statement must comply with regulation 64A(2) and be published in a form accessible to non-specialist readers.”

(3) Regulation 64A (revision of rates and adjustments certificate: scheme employer contributions) is amended as set out in subsection (4).

(4) For paragraphs (1) and (2), substitute—

“(1) The administering authority may obtain a revised rates and adjustments certificate where the funding strategy statement sets out the administering authority’s policy on revising contributions between valuations and one or more of the following conditions is met—

(a) there has been a significant change in the liabilities arising or likely to arise since the last valuation;

(b) there has been a significant change in the employer’s ability to meet its obligations to the Scheme, consistent with that employer’s obligations to deliver value for money and services for local taxpayers;

(c) the employer requests a review and agrees to meet the reasonable costs of that review.

(2) The funding strategy statement must include a clear and accessible policy on revising contributions between valuations, including—

(a) the process and evidential requirements for employers to request a review,

(b) indicative timescales for the administering authority to determine such a request,

(c) the criteria the administering authority and fund actuary will apply (including risk appetite and prudence levels), and

(d) the approach to apportioning reasonable costs of any review.

(3) Where an employer makes a request under paragraph (1)(c), the administering authority must—

(a) acknowledge the request within 10 working days,

(b) determine the request within 12 weeks (or such longer period as is agreed with the employer), and

(c) provide written reasons for its decision.

(4) For any review under this regulation, the fund actuary must prepare an Actuarial Methods Statement which—

(a) explains, step by step, the models and methodologies used to project liabilities, assets and funding needs,

(b) sets out all material assumptions, including discount rates, inflation, salary growth, mortality, longevity improvements and any smoothing or damping mechanisms,

(c) specified the level of prudence applied and how that prudence has been determined, and

(d) provides sensitivity and scenario analysis showing potential outcomes under varying market conditions and employer covenant assessments.

(5) The administering authority must publish the Actuarial Methods Statement alongside the decision under paragraph (3)(c), subject only to the redaction of information which is commercially sensitive or relates to individuals.

(6) The Secretary of State must issue statutory guidance on—

(a) how councils and other employers may make requests under paragraph (1)(c),

(b) the matters administering authorities should take into account when considering such requests, including the balance between Scheme solvency and local taxpayers' interests in the continued delivery of core services, and

(c) the minimum standards for actuarial transparency under paragraph (5).

(7) Administering authorities must have regard to guidance issued under paragraph (6)(a).

(8) The Secretary of State must publish the guidance within six months of the day on which the Pension Schemes Act 2026 is passed."”

COMMONS REASON

The Commons disagree to Lords Amendment 6 for the following Reason—

6A *Because the Commons consider that it is not necessary to include the interim review provisions mentioned in the amendment; and the Government has committed to carrying out a consultation on this topic.*

C **Baroness Sherlock to move, That this House do not insist on its Amendment 6, to which the Commons have disagreed for their Reason 6A.**

MOTION D

LORDS AMENDMENT 13

Clause 22

13 Clause 22, page 24, line 19, leave out "12" and insert "36"

COMMONS REASON

The Commons disagree to Lords Amendment 13 for the following Reason—

13A *Because the Commons consider that it is not appropriate to increase the length of the dormancy period as this would be detrimental to members of pension schemes.*

D Baroness Sherlock to move, That this House do not insist on its Amendment 13, to which the Commons have disagreed for their Reason 13A.

D1★ Baroness Altmann to move, as an amendment to Motion D, at end insert "and do propose Amendment 13B in lieu—

13B Clause 22, page 24, line 19, leave out "12" and insert "24""

MOTION E

LORDS AMENDMENTS 15 TO 24, 27, 30 TO 34, 36, 38 TO 42, 83 AND 88

Clause 40

15 Clause 40, page 38, line 12, leave out "and Condition 2"

16 Clause 40, page 38, leave out lines 24 to 28

17 Clause 40, page 38, line 29, leave out "or 2(b)"

18 Clause 40, page 38, line 38, leave out "or Condition 2"

19 Clause 40, page 39, line 12, leave out "or the conditions for approval under section 28C"

20 Clause 40, page 39, leave out lines 31 to 33

21 Clause 40, page 39, line 40, leave out “or (7B)”

22 Clause 40, page 40, line 19, leave out “or the conditions for approval under section 28C”

23 Clause 40, page 40, line 28, leave out “or 2”

24 Clause 40, page 40, line 32, leave out “or 2”

27 Clause 40, page 45, line 32, leave out from beginning to end of line 19 on page 48

30 Clause 40, page 50, line 28, leave out from beginning to end of line 16 on page 51

31 Clause 40, page 51, line 24, leave out “or 28C”

32 Clause 40, page 52, line 29, leave out “or 28C”

33 Clause 40, page 52, line 36, leave out “or (7B)”

34 Clause 40, page 53, line 19, leave out subsection (13)

36 Clause 40, page 54, line 17, leave out “(7B),”

38 Clause 40, page 54, line 18, leave out “28C (other than subsection (10)(f))”

39 Clause 40, page 54, line 19, leave out “28G,”

40 Clause 40, page 54, line 28, leave out subsections (17) and (18)

Clause 41

41 Clause 41, page 55, line 3, leave out “or the asset allocation requirement in section 28C”

42 Clause 41, page 55, line 7, leave out "or the asset allocation requirement in section 28C"

Clause 122

83 Clause 122, page 154, line 11, leave out subsection (6)

The Schedule

88 The Schedule, page 156, line 30, leave out "28G" and insert "28F"

COMMONS AMENDMENTS TO THE WORDS SO RESTORED TO THE BILL

The Commons disagree to Lords Amendments 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27, 30, 31, 32, 33, 34, 36, 38, 39, 40, 41, 42, 83 and 88 but propose the following amendments to the words so restored to the Bill—

88A Clause 40, page 46, line 16, at end insert—

"(5A) Regulations under subsection (4) must secure that a description of asset is prescribed under that subsection in respect of each example mentioned in subsection (5)(a) to (d)."

88B Clause 40, page 46, line 22, at end insert—

"(6A) Regulations under this section may not have the effect of requiring, as a condition of a scheme's approval under subsection (1)—

(a) more than 10% (by value) of the assets held in default funds of the scheme as a whole to be qualifying assets, or

(b) more than 5% (by value) of the assets so held to be of a UK-specific description.

(6B) In subsection (6A)(b) "UK-specific description" means a description framed by reference to whether an asset is located in the United Kingdom or meets any other condition linked to economic activity in the United Kingdom."

88C Clause 40, page 46, leave out lines 31 and 32

E **Baroness Sherlock to move, That this House do not insist on its Amendments 15 to 24, 27, 30 to 34, 36, 38 to 42, 83 and 88, and do agree with the Commons in their Amendments 88A to 88C to the words restored to the Bill by the Commons disagreement to Lords Amendments 15 to 24, 27, 30 to 34, 36, 38 to 42, 83 and 88.**

E1 **Baroness Bowles of Berkhamsted to move, as an amendment to Motion E, leave out from "House" to end and insert "do insist on its Amendments 15 to 24, 27, 30 to 34, 36, 38 to 42, 83 and 88, and do disagree with the Commons in their Amendments 88A to 88C to the words restored to the Bill by the Commons disagreement to Lords Amendments 15 to 24, 27, 30 to 34, 36, 38 to 42, 83 and 88."**

MOTION F

LORDS AMENDMENTS 26 AND 37

Clause 40

26 Clause 40, page 45, line 31, at end insert—

"28BA Exemption from scale requirement

(1) The Secretary of State may by regulations provide that the Regulator may determine that a relevant Master Trust or a group personal pension scheme is to be treated as meeting the scale requirement in section 28A or 28B if the Regulator is satisfied that the condition in subsection (2) is met.

(2) The Regulator must be satisfied that there is no reasonable evidence that consolidation of the scheme into another arrangement would be likely to improve outcomes for members.

(3) In determining whether the condition in subsection (2) is met, the Regulator must have regard to—

(a) net risk-adjusted investment performance;

(b) governance quality and operational capability;

(c) whether the scheme benefits from integrated, pooled or cross-scheme investment arrangements not reflected solely in the total value of assets counted under section 28A(4) or 28B(4);

(d) whether the scheme invests wholly or substantially in a default arrangement operated by another scheme or manager meeting the scale requirement;

(e) whether the scheme derives material investment benefit from participation in a wider asset management group of substantial scale.

(4) Regulations under this section may make provision about—

(a) the duration, renewal and withdrawal of a determination under subsection (1);

(b) reporting and disclosure requirements."

COMMONS REASON

The Commons disagree to Lords Amendment 26 for Reason 37A

37 Clause 40, page 54, line 18, after "28B," insert "28BA,"

COMMONS REASON

The Commons disagree to Lords Amendments 26 and 37 for the following Reason –

37A *Because the Commons consider that there are significant benefits to members of pension schemes from the existing scale requirements in the Bill.*

F **Baroness Sherlock to move, That this House do not insist on its Amendments 26 and 37, to which the Commons have disagreed for their Reason 37A.**

F1★ **Viscount Younger of Leckie to move, as an amendment to Motion F, at end insert "and do propose Amendments 37B and 37C in lieu—**

37B Clause 40, page 45, line 31, at end insert—

"28BA Exemptions from scale requirement

(1) The Secretary of State may by regulations provide that the Regulator may determine that a relevant Master Trust or a group personal pension scheme is to be treated as meeting the scale requirement in section 28A or 28B only if the Regulator is satisfied that the condition in subsection (2) or (3) is met.

(2) The Regulator may make a determination under subsection (1) where the trustees or managers of the scheme have demonstrated, on the basis of robust and independently verifiable evidence, that there is no reasonable prospect that consolidation of the scheme into another arrangement would be likely to improve outcomes for members.

(3) The Regulator may make a determination under subsection (1) where the trustees or managers of the scheme have demonstrated, on the basis of robust and independently verifiable evidence, that they are delivering good outcomes for members as a result of innovation.

(4) For the purposes of subsection (3), a relevant group personal pension scheme is to be treated as meeting the innovation condition if the managers of the scheme can demonstrate that it provides specialist or innovative services.

(5) The Secretary of State may by regulations make provision for the definition of "specialist or innovative services" for the purposes of this section.

(6) In determining whether the condition in subsection (2) is met, the Regulator must have regard to evidence demonstrating that the scheme delivers outcomes for members that are at least equivalent to, or better than, those reasonably expected from consolidation into a scheme meeting the scale requirement, including—

(a) net risk-adjusted investment performance;

(b) independently assessed governance quality and operational capability, including compliance history, trustee expertise, and administrative performance;

(c) whether the scheme derives material and demonstrable benefits for members from integrated, pooled or cross-scheme investment arrangements not reflected solely in the total value of assets counted under section 28A(4) or 28B(4), and whether those arrangements are likely to result in outcomes for members that would not be materially improved through consolidation;

(d) whether the scheme invests wholly or substantially in a default arrangement operated by another scheme or manager meeting the scale requirement and that arrangement demonstrably determines the majority of member investment outcomes;

(e) whether participation in a wider asset management group of substantial scale provides direct and measurable benefits to members, including reduced costs, improved diversification, or enhanced access to investment opportunities.

(7) In making a determination under subsection (1), the Regulator must be satisfied that any benefits identified under subsection (3) are material and demonstrably in the interests of members.

(8) Regulations under this section may make provision about—

(a) reasonable evidential requirements and assessment processes for applications under subsection (1);

(b) the duration, renewal and withdrawal of a determination under subsection (1);

(c) reporting and disclosure requirements.””

37C Clause 40, page 54, line 18, after “28B,” insert “28BA,””

MOTION G

LORDS AMENDMENT 35

35 Clause 40, page 54, line 16, after “regulations)” insert—

“(a) after subsection (1), insert—

“(1A) In making regulations under section 20(1A), 20(1C), 26(7A), 28A, 28B, 28E, 28F and 28J the Secretary of State must have regard to—

(a) the encouragement of innovation in the design and operation of pension schemes, and

(b) the benefits of competition among providers of pension schemes.”;”

COMMONS REASON

The Commons disagree to Lords Amendment 35 for the following Reason—

35A *Because the Commons consider that it is not necessary to impose further requirements relating to innovation and competition.*

G **Baroness Sherlock to move, That this House do not insist on its Amendment 35, to which the Commons have disagreed for their Reason 35A.**

G1★ Baroness Noakes to move, as an amendment to Motion G, at end insert "and do propose the following amendment in lieu—

35B After Clause 57, insert the following new Clause—

"Sections 40, 42 and 44: regulations and competition among providers of pension schemes

(1) In section 143 of the Pensions Act 2008, after subsection (1), insert—

"(1A) In making regulations under section 20(1A), 20(1C), 26(7A), 28A, 28B, 28E, 28F and 28J the Secretary of State must have regard to the benefits of competition among providers of pension schemes.".

(2) In making regulations under sections 42 and 44 the appropriate authority must have regard to the benefits of competition among providers of pension schemes.""

MOTION H

LORDS AMENDMENT 43

After Clause 44

43 After Clause 44, insert the following new Clause—

"Innovation and competition

In making regulations under sections 42 and 44 the appropriate authority must have regard to—

(a) the encouragement of innovation in the design and operation of pension schemes, and

(b) the benefits of competition among providers of pension schemes."

COMMONS REASON

The Commons disagree to Lords Amendment 43 for the following Reason—

43A *Because the Commons consider that it is not necessary to impose further requirements relating to innovation and competition.*

H Baroness Sherlock to move, That this House do not insist on its Amendment 43, to which the Commons have disagreed for their Reason 43A.

MOTION J

LORDS AMENDMENTS 77 AND 85

After Clause 117

77 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."

COMMONS REASON

The Commons disagree to Lords Amendment 77 for Reason 85A

Clause 122

85 Clause 122, page 154, line 35, at end insert—

"(f) section (*Review of public service pension schemes*) comes into force on the day on which this Act is passed."

COMMONS REASON

The Commons disagree to Lords Amendments 77 and 85 for the following Reason—

85A *Because the Commons consider that it is not necessary to duplicate existing information regarding public sector pension schemes.*

J **Baroness Sherlock to move, That this House do not insist on its Amendments 77 and 85, to which the Commons have disagreed for their Reason 85A.**

J1 **Baroness Neville-Rolfe to move, as an amendment to Motion J, leave out from "House" to end and insert "do insist on its Amendments 77 and 85 to which the Commons have disagreed for their Reason 85A."**

MOTION K

LORDS AMENDMENTS 78 AND 86

After Clause 117

78 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."

COMMONS REASON

The Commons disagree to Lords Amendment 78 for Reason 86A

Clause 122

86 Clause 122, page 154, line 35, at end insert—

“(f) section (*Discharge of liabilities in respect of compensation: commencement*) comes into force on the day on which this Act is passed.”

COMMONS REASON

The Commons disagree to Lords Amendments 78 and 86 for the following Reason—

86A *Because it would alter the financial arrangements made by the Commons, and the Commons do not offer any further reason, trusting that this Reason may be deemed sufficient.*

K **Baroness Sherlock to move, That this House do not insist on its Amendments 78 and 86, to which the Commons have disagreed for their Reason 86A.**

K1★ **Viscount Thurso to move, as an amendment to Motion K, at end insert “and do propose Amendments 86B and 86C in lieu—**

86B After Clause 117, insert the following new Clause—

“Review on commencement of discharge of liabilities in respect of compensation

(1) The Secretary of State must, within three months of the day on which this Act is passed, conduct a review of the impact of commencing the provisions laid out in section 169(2)(d) of the Pensions Act 2004 (discharge of liabilities in respect of compensation: cash sum).

(2) In conducting the review under subsection (1), the Secretary of State must consult with experts or bodies as the Secretary of State considers appropriate.

(3) In conducting the review under subsection (1), the Secretary of State must consider—

(a) the costs and benefits of commencing section 169(2)(d) of the Pensions Act 2004, and

(b) the impact of commencing section 169(2)(d) of the Pensions Act 2004 on the financial sustainability of the Pensions Protection Fund.

(4) The Secretary of State must, within six months of the day on which this Act is passed, lay before Parliament a report setting out the findings of the review under subsection (1).”

86C Clause 122, page 154, line 35, at end insert—

“(f) section (*Review on commencement of discharge of liabilities in respect of compensation*) comes into force on the day on which this Act is passed.””

MOTION L

LORDS AMENDMENTS 79 AND 87

After Clause 117

79 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."

COMMONS REASON

The Commons disagree to Lords Amendment 79 for Reason 87A

Clause 122

87 Clause 122, page 154, line 35, at end insert—

"(f) section (*Review of pension communications and financial promotion rules*) comes into force on the day on which this Act is passed."

COMMONS REASON

The Commons disagree to Lords Amendments 79 and 87 for the following Reason—

87A *Because the Commons consider that it is not necessary to carry out a review of existing legislation relating to pension communications and financial promotion rules.*

L **Baroness Sherlock to move, That this House do not insist on its Amendments 79 and 87, to which the Commons have disagreed for their Reason 87A.**

Pension Schemes Bill

MARSHALLED LIST OF MOTIONS

TO BE MOVED ON CONSIDERATION OF COMMONS REASONS AND AMENDMENTS

17 April 2026

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