Pension Schemes Bill

MARSHALLED LIST OF MOTIONS

TO BE MOVED ON CONSIDERATION OF COMMONS AMENDMENTS

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

MOTION A

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 DISAGREEMENT AND 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

LORDS INSISTENCE, DISAGREEMENT AND REASON

The Lords insist on their 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, 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 for the following Reason—

88D *Because the Lords wish the Commons to consider the matter again.*

COMMONS INSISTENCE, NON-INSISTENCE AND AMENDMENTS TO THE WORDS SO RESTORED TO THE BILL

The Commons insist on their disagreement with the Lords in their Amendments 15 to 24, 27, 30 to 34, 36, 38 to 42, 83 and 88, insist on their Amendments 88A and 88C to the words restored to the Bill by that disagreement, do not insist on their Amendment 88B to the words so restored to the Bill, but propose Amendments 88E to 88P to the words so restored to the Bill—

88E Clause 40, page 45, line 36, after "in" insert "main"

88F Clause 40, page 45, line 40, after "in" insert "main"

88G Clause 40, page 46, leave out lines 1 and 2

88H 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 all of the assets of the scheme that are held in main default funds to be qualifying assets, or
(b) more than 5% (by value) of all 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."

88J Clause 40, page 46, line 24, before "default" insert "main"

88K Clause 40, page 48, line 8, at end insert—

"(12A) The power to make regulations under subsection (1) may only be exercised once."

88L Clause 40, page 54, line 27, at end insert—

"(16A) The following provisions are repealed at the end of 2035—
(a) in section 204A of the Financial Services and Markets Act 2000 (meaning of "relevant requirement" and "appropriate regulator")—
(i) in subsection (2)(aza), the words "or the asset allocation requirement in section 28C";
(ii) in subsection (6)(aza), the words "or the asset allocation requirement in section 28C";
(b) in section 90(6)(ea) of the Pensions Act 2004, the words "or the asset allocation requirement in section 28C";
(c) the relevant asset allocation provisions of the Pensions Act 2008.

(16B) For the purposes of subsection (16A), the "relevant asset allocation provisions" of the Pensions Act 2008 are the following—
(a) in section 20(1A) (asset allocation requirement: Master Trusts)—
(i) in the opening words, the words "and Condition 2";
(ii) Condition 2;

(b) in section 20(1B) (exemptions), the words "or 2(b)";
(c) in section 20(1C) (protected period)—
(i) in paragraph (a), the words "or Condition 2";
(ii) in paragraph (c), the words "or the conditions for approval under section 28C";
(d) in section 26 (quality requirement: UK personal pension schemes)—
(i) subsection (7B);
(ii) in subsection (7D), the words "or (7B)";
(iii) in subsection (7E)(a), the words "or sixth";
(iv) in subsection (7E)(c), the words "or the conditions for approval under section 28C";
(e) in section 28 (certification that quality requirement or alternative requirement is satisfied)—
(i) in subsection (4)(a), the words "or 2";
(ii) in subsection (4)(b), the words "and sixth";
(iii) in subsection (4)(c), the words "or 2";
(f) section 28C (approvals in respect of asset allocation);
(g) section 28G (suspension of asset allocation requirement: savers' interest test);
(h) in section 28H (risk notices), in subsection (1)(b), the words "or 28C";
(i) in section 28I (penalties)—
(i) in subsection (1)(a), the words "or 28C";
(ii) in subsection (2)(a), the words "or (7B)";
(j) section 30A (review of exercise of powers under section 28C);
(k) in section 143(5)(a) (orders and regulations)—
(i) the word "(7B)";
(ii) the words "28C (other than subsection (10)(f))";
(iii) the word "28G".

(16C) In consequence of the repeals under subsection (16A), at the end of 2035—
(a) in section 73(2)(dza) of the Pensions Act 2004 (inspection of premises), for "28G of the Pensions Act 2008 (scale and asset allocation)" substitute "28F of the Pensions Act 2008 (scale)";
(b) in section 28(4)(b) of the Pensions Act 2008 (certification that quality requirement or alternative requirement is satisfied), for "conditions" substitute "condition".

(16D) The Secretary of State may by regulations make transitional or saving provision in connection with any repeal or amendment under subsection (16A) or (16C)."

88M Clause 40, page 54, line 31, after "section" insert ", section 41 or the Schedule"

88N Clause 40, page 54, line 32, after "subsection" insert "(16D) or"

88P Clause 122, page 154, line 11, leave out "2035" and insert "2032"

A★ **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, 88C and 88E to 88P 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.**

A1★ **Baroness Bowles of Berkhamsted to move, as an amendment to Motion A, 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, do insist on its disagreement to Commons Amendments 88A and 88C, and do disagree with the Commons in their Amendments 88E to 88P 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 B

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.*

LORDS NON-INSISTENCE AND AMENDMENTS IN LIEU

The Lords do not insist on their Amendments 26 and 37, to which the Commons have disagreed for their Reason 37A, 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,””

COMMONS DISAGREEMENT AND AMENDMENTS IN LIEU

The Commons disagree to Lords Amendments 37B and 37C but do propose Amendments 37D and 37E to the Bill in lieu—

37D Clause 40, page 53, line 18, at end insert—

“28K Report about effects of pension scheme consolidation

(1) The Secretary of State must prepare and publish a report about the effects of consolidation on innovation in the design and operation of relevant Master Trusts and group personal pension schemes.

(2) The report may in particular include information about—

(a) the extent to which consolidated schemes adopt or maintain innovative product designs of constituent schemes;

(b) barriers to consolidated schemes adopting or maintaining such innovative product designs.

(3) The Pensions Regulator and the FCA must provide such information and assistance as the Secretary of State may require for the purposes of the report.

(4) The report under this section must be published before the end of the period of 12 months beginning with the day on which this section comes into force.

(5) In this section "consolidation" means the consolidation of a relevant Master Trust or group personal pension scheme with one or more other schemes."

37E Clause 122, page 153, line 29, leave out from "force" to end of line 30 and insert "as follows—

(i) section 40, in respect of the insertion of section 28K of the Pensions Act 2008 (report about effects of pension scheme consolidation), comes into force on the day on which this Act is passed;

(ii) the remaining provisions of Chapter 3 come into force on such day as the Secretary of State may by regulations appoint;"

B★ **Baroness Sherlock to move, That this House do not insist on its Amendments 37B and 37C, and do agree with the Commons in their Amendments 37D and 37E in lieu.**

MOTION C

LORDS AMENDMENT 35

Clause 40

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.*

LORDS NON-INSISTENCE AND AMENDMENT IN LIEU

The Lords do not insist on their Amendment 35, to which the Commons have disagreed for their Reason 35A, and do propose Amendment 35B 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.""

COMMONS DISAGREEMENT AND AMENDMENT IN LIEU

The Commons disagree to Lords Amendment 35B but do propose Amendments 35C and 35D in lieu—

35C Clause 40, page 53, line 18, at end insert—

"28K Regulations about quality requirements

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

(a) innovation in the design and operation of relevant Master Trusts and group personal pension schemes;

(b) competition among relevant Master Trusts and group personal pension schemes;

(c) improving outcomes for members of relevant Master Trusts and group personal pension schemes;

(d) relevant Master Trusts and group personal pension schemes achieving an appropriate scale;

(e) relevant Master Trusts and group personal pension schemes having effective governance."

35D Page 58, line 16, at end insert the following new Clause—

"Regulations about default arrangements

In making regulations under section 42 or 44, the appropriate authority must have regard to the importance of—

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

(b) competition among providers of pension schemes;

(c) improving outcomes for members of pension schemes;

(d) pension schemes having effective governance."

C★ **Baroness Sherlock to move, That this House do not insist on its Amendment 35B, and do agree with the Commons in their Amendments 35C and 35D in lieu.**

MOTION D

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.*

LORDS INSISTENCE AND REASONS

The Lords insist on their Amendments 77 and 85 for the following Reason—

85B *Because the Lords wish the Commons to consider the matter again.*

COMMONS INSISTENCE AND AMENDMENTS IN LIEU

The Commons insist on their disagreement with the Lords in their Amendments 77 and 85 but do propose Amendments 85C to 85E in lieu—

85C Page 152, line 11, at end insert the following new Clause—

"Public service pension schemes

(1) The Government Actuary must, before the end of the period of 12 months beginning with the day on which this section comes into force—
   (a) prepare and publish a document setting out cash flow projections for each of the next 50 years that cover the public service pension schemes within subsection (4);
   (b) provide the document to the Treasury and the Office for Budget Responsibility.

(2) The Treasury must lay the document before Parliament.

(3) For the purposes of this section "cash flow" means—
   (a) expenditure on benefits, and
   (b) income from member contributions.

(4) The following public service pension schemes are within this subsection—
   (a) any scheme under section 1 of the Public Service Pensions Act 2013 (schemes for persons in public service) which—
      (i) is a defined benefits scheme (within the meaning of that Act), and

(ii) is not a scheme for local government workers (within the meaning of that Act);

(b) any scheme under section 1 of the Public Service Pensions Act (Northern Ireland) 2014 (schemes for persons in public service) which—

(i) is a defined benefits scheme (within the meaning of that Act), and

(ii) is not a scheme for local government workers (within the meaning of that Act).”

85D Clause 121, page 153, line 14, at end insert—

“(1A) Section (*Public service pension schemes*) extends to England and Wales, Scotland and Northern Ireland.”

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

“(f) section (*Public service pension schemes*) comes into force on the day on which this Act is passed.”

D★ **Baroness Sherlock to move, That this House do not insist on its Amendments 77 and 85, and do agree with the Commons in their Amendments 85C to 85E in lieu.**

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22 April 2026

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