



# House of Commons

## NOTICES OF AMENDMENTS

given up to and including

**Thursday 23 March 2017**

*New Amendments handed in are marked thus ★*

☆ *Amendments which will comply with the required notice period at their next appearance*

### CONSIDERATION OF BILL (REPORT STAGE)

### PENSION SCHEMES BILL [*LORDS*], AS AMENDED

#### NOTE

**This document includes all amendments tabled to date and includes any withdrawn amendments at the end. The amendments have been arranged in the order in which they relate to the Bill.**

A Clause (NC1) (*Funder of the last resort*) — (*Alex Cunningham*) Brought up, and read the first time as follows—

Notwithstanding the provisions of section 8, the Secretary of State shall make provision for a funder of last resort, to manage any cases where the Master Trust has insufficient resources to meet the cost of complying with subsection (3)(b) of that section.

Question proposed, That the Clause be read a second time.

Alex Cunningham

NC2

To move the following Clause—

#### “Member trustees

- (1) By a date to be set by the Secretary of State in regulations, approved Master Trust Schemes must ensure that at least a third of the trustees of the scheme are Member Trustees.
- (2) Member Trustees must be individuals who are—
  - (a) members of the Master Trust scheme; and
  - (b) not members of senior management of a company that is enrolled in the Master Trust scheme.

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**Pension Schemes Bill [Lords], continued**

- (3) Member Trustees must be appointed by a process in which—
  - (a) any member of the scheme who meets the condition in subsection (2) is to apply to be a Member Trustee,
  - (b) all the active members of the scheme, or an organisation which adequately represents the active members, are eligible to participate in the selection of the Member Trustees, and
  - (c) all the deferred members of the scheme, or an organisation which adequately represents the deferred members, are eligible to participate in the selection of the Member Trustees.
- (4) Member Trustees should be given sufficient time off by their employer to fulfil their duties.
- (5) For the purpose of this clause “senior management”, in relation to an organisation, means the persons who play significant roles in—
  - (a) the making of decisions about how the whole or a substantial part of its activities are to be managed or organised, or
  - (b) the actual managing or organising of the whole or a substantial part of those activities.”

***Member’s explanatory statement***

*This new clause requires Master Trusts to make provision for some form of member representation within Master Trusts.*

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Alex Cunningham

NC3

To move the following Clause—

**“Member representation and engagement**

One year on from the registration of Master Trusts by the Pensions Regulator, the Government will fully review member trustee representation, member engagement and annual member meetings.”

***Member’s explanatory statement***

*This new clause requires the Government to set up a review into member representation and engagement within Master Trusts.*

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Alex Cunningham

NC4

To move the following Clause—

**“Requirement to hold an Annual Member Meeting**

- (1) The trustees of an authorised Master Trust scheme must hold an annual meeting open to all members of the scheme.
- (2) The Master Trust must take all reasonable steps to make the meeting accessible to all members, this includes making arrangements for—
  - (a) scheme members to observe the meeting remotely, and

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**Pension Schemes Bill [Lords], continued**

(b) scheme members to submit questions to trust members remotely.”

***Member’s explanatory statement***

*This new clause requires Master Trusts to hold an Annual Member Meeting, and sets out ways to ensure members are properly given the opportunity to be involved.*

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Alex Cunningham

NC5

To move the following Clause—

**“Excluded groups**

- (1) The Secretary of State must, before the end of the period of 12 months from the day on which this Act receives Royal Assent, establish a review of participation in Master Trust schemes.
- (2) The review must consider what steps can be taken to increase the participation in Master Trust schemes by the following groups—
  - (a) carers,
  - (b) self-employed,
  - (c) workers with multiple employees, and
  - (d) workers with annual earnings below £10,000.
- (3) One of the options considered by the review to improve participation must be changes to the terms of auto-enrolment.”

***Member’s explanatory statement***

*This new clause enshrines the requirement on the Government to do something specific for currently excluded groups.*

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Ian Blackford  
Mhairi Black

NC6

To move the following Clause—

**“Exit fees**

- (1) The Secretary of State may by regulations restrict or set limits to exit fees paid by members of a Master Trust scheme.
- (2) For the purposes of section (1) “members” includes past and current, active and deferred members.”

***Member’s explanatory statement***

*This new clause makes provision for the Secretary of State to restrict exit fees paid by Master Trust schemes’ members.*

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**Pension Schemes Bill [Lords], continued**

Ian Blackford  
Mhairi Black

NC7

To move the following Clause—

**“Asset protection for unincorporated businesses**

The Secretary of State must, by regulations, make provision to amend section 75 of the Pensions Act 1995 in order to protect unincorporated businesses who are at risk of losing their personal assets including their homes.”

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Ian Blackford  
Mhairi Black

NC8

To move the following Clause—

**“Review of actuarial mechanisms for valuing pension scheme liabilities**

Within six calendar months from the day on which this Act comes into force, the Secretary of State must conduct a review of the actuarial mechanisms used to value pension scheme liabilities under section 75 of the Pensions Act 1995.”

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Ian Blackford  
Mhairi Black

NC9

To move the following Clause—

**“Non-associated multi-employer schemes: orphan debt**

The Secretary of State must, by regulations, exclude from the calculation in section 75 of the Pensions Act 1995 the orphan debt in any non-associated multi-employer scheme.”

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Ian Blackford  
Mhairi Black

NC10

To move the following Clause—

**“Transitional Arrangements relating to the State Pension**

The Secretary of State must make regulations to—

- (a) establish a mechanism to deliver transitional arrangements for eligible individuals, and

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**Pension Schemes Bill [Lords], continued**

- (b) determine eligibility for the purposes of paragraph (a) on the basis of the state pension age timetable set out in the 1995 and 2011 Pensions Acts.”

***Member’s explanatory statement***

*This new clause would require the Secretary of State to identify support for women affected by the changes to the timetable for state pension age equalisation.*

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Ian Blackford  
Mhairi Black

NC11

To move the following Clause—

**“Pensions and Savings Commission**

The Secretary of State must make regulations to—

- (a) establish a pensions and savings commission to, but not exclusively, monitor the impact of this bill within 6 months,
- (b) compel the commission to report to Parliament on an annual basis, and
- (c) extend the remit of the commission, as and when required.”

***Member’s explanatory statement***

*This new clause would require the Secretary of State to establish a pensions and savings commission to monitor the impact of this bill.*

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Ian Blackford  
Mhairi Black

5

Clause 8, page 5, line 41, after “scheme” insert “or scheme funder”

***Member’s explanatory statement***

*The financial sustainability of the scheme funder must be taken into account when assessing a Master Trust scheme’s financial sustainability.*

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Ian Blackford  
Mhairi Black

7

Clause 10, page 7, line 23, at end insert—

- “(6A) The Secretary of State may by regulations define “restricted activities” and these regulations must set out activities that a scheme funder cannot engage in to minimise risk of losses or liabilities which might deplete or divert its financial resources.”

***Member’s explanatory statement***

*This amendment makes provision for the Secretary of State to define “restricted activities” by*

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**Pension Schemes Bill [Lords], continued**

*regulation, including a list of specific activities restricted in order to minimise risk of loss by Master Trust scheme funders.*

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Ian Blackford  
Mhairi Black

6

Clause 11, page 8, line 1, leave out subsection (b) and insert—

“(b) either the only activities carried out by the body corporate or partnership are activities that relate directly to the Master Trust scheme, or if the body corporate or partnership carries out activities other than those defined as “restricted activities.””

***Member’s explanatory statement***

*This amendment allows for exceptions to the requirement that a scheme funder must only carry out activities directly relating to the Master Trust scheme for which it is a scheme funder.*

Alex Cunningham

1

Clause 11, page 8, line 13, at end insert—

“( ) A minimum requirement of annual reporting of administration, fund management costs and transaction costs for each asset class, drawdown product and for active and passive asset management strategies.”

***Member’s explanatory statement***

*This amendment would introduce annual reporting and inclusion of transaction costs requirements for Master Trusts.*

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Alex Cunningham

2

Clause 22, page 16, line 28, after “employers” insert “and scheme members”

***Member’s explanatory statement***

*This amendment ensures that scheme members are told of triggering events as well as employers.*

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Alex Cunningham

4

Clause 31, page 23, line 16, leave out paragraph (d)

***Member’s explanatory statement***

*This amendment removes the part that allows Master Trusts to halt making payments to pensioners in the event of a pause order.*

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Pension Schemes Bill [*Lords*], *continued*

Alex Cunningham

3

Clause 31, page 23, line 27, at end insert—

“(f) directive that employers will retain both their own and employee contributions pending resolution of the pause order.”

***Member’s explanatory statement***

*This amendment requires employers to hold onto employee and employer contributions during a pause order.*

Ian Blackford  
Mhairi Black

8

Clause 31, page 23, line 27, at end insert—

“(f) a direction that further contributions or payments to be paid towards the scheme by or on behalf of any employers or members (or any specified employers or members) are collected and held in a separate fund until the conclusion of the pause order;”

***Member’s explanatory statement***

*This amendment provides the Pensions Regulator with an alternative to stopping payments to the schemes under subsection 5(b) of a pause order.*

Ian Blackford  
Mhairi Black

9

Clause 31, page 23, line 39, at end insert—

“(7A) The Secretary of State may by regulations set conditions on the terms of a separate fund used for purposes under section 5(f).”

***Member’s explanatory statement***

*This amendment is consequential to amendment 8.*

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ORDER OF THE HOUSE [30 JANUARY 2017]

That the following provisions shall apply to the Pension Schemes Bill [*Lords*]:

*Committal*

1. The Bill shall be committed to a Public Bill Committee.

*Proceedings in Public Bill Committee*

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 21 February 2017.
3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

*Proceedings on Consideration and up to and including Third Reading*

4. Proceedings on Consideration and any proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.
5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration or to other proceedings up to and including Third Reading.

**Pension Schemes Bill [*Lords*], *continued****Other proceedings*

7. Any other proceedings on the Bill (including any proceedings on consideration of any message from the Lords) may be programmed.
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