
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe matters about which trustees of certain occupational pension schemes are required to have knowledge and understanding and make amendments to the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 (S.I. 2013/2734) (“the Disclosure Regulations 2013”) in consequence of section 124 of the Pension Schemes Act 2021 (c. 1) and new climate change governance and reporting requirements introduced by the Occupational Pension Schemes (Climate Change Governance and Reporting) Regulations 2021 (S.I. 2021/839) (“the Climate Change Governance and Reporting Regulations 2021”).

The Regulations also make consequential amendments to the Register of Occupational and Personal Pension Schemes Regulations 2005 (S.I. 2005/597) to prescribe additional “registrable information” for the purposes of sections 59 to 65 of the Pensions Act 2004 (c. 35).

Regulation 2 prescribes the identification, assessment and management of risks arising to occupational pension schemes from the effects of climate change and of opportunities relating to climate change, as matters about which certain trustees must have knowledge and understanding for the purposes of the Pensions Act 2004, section 247(4)(c) (requirement for trustee knowledge and understanding: individual trustees). It makes equivalent provision for the purposes of section 248(5) (c) (requirement for trustee knowledge and understanding: corporate trustees). Regulation 2 applies only to trustees who are subject to requirements specified in Part 1 of the Schedule to the Climate Change Governance and Reporting Regulations 2021 (climate change governance etc. requirements). Individual trustees must have knowledge and understanding of the prescribed matters insofar as they are relevant to meeting requirements specified in Part 1 of the Schedule. Corporate trustees must ensure that individuals exercising trustee functions have such knowledge and understanding.

Regulation 3 makes amendments to regulation 3(1) of the Register of Occupational and Personal Pension Schemes Regulations 2005 (registrable information) to add to the registrable information prescribed for the purposes of sections 59 to 65 of the Pensions Act 2004. Such registrable information must, in particular, be specified in a scheme return notice issued by The Pensions Regulator in accordance with sections 63 and 65 of the Pensions Act 2004 and must be included in the scheme return which the trustees are required to provide in accordance with section 64 of that Act.

Inserted sub-paragraph (k) provides that in the case of an occupational pension scheme in respect of which the trustees are required to publish a report on a website in accordance with regulation 6(1)(b) of the Climate Change Governance and Reporting Regulations 2021 (which requires that the trustees publish the report on a publicly available website, accessible free of charge), the website address where the most recent report has been published, is registrable information. Where no report has been published, whether the period for publishing the report as provided for in regulation 6(1) of the Climate Change Governance and Reporting Regulations 2021 has ended, is registrable information.

To maintain a consistent approach with regard to registrable information, inserted sub-paragraph (l) makes similar provision to inserted sub-paragraph (k), where trustees are required to make information publicly available free of charge on a website in accordance with the Disclosure Regulations 2013. Inserted sub-paragraph (l) provides that in the case of an occupational pension scheme in respect of which the trustees are required to publish the information specified in the Disclosure Regulations 2013, regulation 29A(2), (2A) or (2B) (publishing charges and transaction costs and other relevant information), the website address where the information has been published, is registrable information.

Status: *This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

Regulation 4 amends the Disclosure Regulations 2013, Schedule 3, Part 5 (information that applies to the scheme), Schedule 4 (summary funding statements), Schedule 5, Part 2 (information for active and deferred members) and Schedule 6, Part 1 (information for all money purchase members), to require information about the report which trustees of certain schemes are required to publish in accordance with the Climate Change Governance and Reporting Regulations 2021 to be included in the scheme's annual report, summary funding statements (where relevant) and annual benefit statements issued to members.

An assessment of the effect that this instrument will have on the costs to business, the voluntary sector and civil society organisations has been made and is published with the Explanatory Memorandum alongside the instrument on www.legislation.gov.uk . Copies may be obtained from the Better Regulation Unit of the Department for Work and Pensions, Caxton House, Tothill Street, London, SW1H 9NA.