

Safer, Better, Greener pensions - what does that mean for me?

Some new rules are coming that will change the way pensions schemes work and run...

The Pension Schemes Bill will introduce some new laws around pensions. Like all Bills it started as a proposal to amend some parts of existing law relating to pension schemes and how they are run. And introduce some new bits of legislation. It was introduced to both the House of Lords and the House of Commons for discussion and amendment. Both Houses agreed on the content, so it then passes for Royal Assent to become an Act of Parliament, which makes it the law.

Pensions are an important part of all our futures. Just like what we earn when we're working – our pension will be the money we live on once we stop working. The strap line for the Bill is Safer, Better, Greener. But just what do those things mean?



Safer

Cracking down on pension scams and bad bosses

This isn't as scary as it sounds, most of the time pensions are completely safe. But these changes are designed to give you better protection.

You may have read about the collapse of companies like Carillion and BHS. When companies with certain pension structures fold, they risk the pensions of all those that have worked for them..

The Pensions Regulator will now have more power to intervene – with two different criminal offences for those involved with running these types of pensions.

Pensions also need greater protection from scams. Over £30m has been lost to pension scammers since 2017. Scammers use attractive offers to get you to transfer your pension to them.

Changes that will be made as part of the Bill will give Trustees of pension schemes the power to stop a transfer if it doesn't meet certain conditions – **helping to protect your money from scams.**



Better

Making your pension more accessible

Another part of the Bill focuses on something called pension dashboards. This will be a single place online where you'll be able to see all of your pensions.

It sounds simple enough, but some pensions have been around for a very long time and not all of their records are digital.

The timetable for making dashboards ready for widespread use is 2023, this seems like a long way off. But making sure all pensions are ready, the service can match you with your pensions and the technology is safe and secure is not a small task.

There are over £19bn of lost pension funds – this happens where people move and forget to tell their pension, then forget about the pension.

Dashboards will solve this. Most people have lots of jobs which means they're likely to have more than one pension. **Having a single way to track them will help you easily keep tabs on your money.**



Greener

Investing in a more sustainable and ethical way

Money in your pension is usually invested in some way, this means instead of sitting as cash it's used to buy shares in companies as well as other types of investments like bonds or gilts.

A greener pension means your pension will look to invest in companies that are environmentally sustainable and make a positive impact on the world.

As part of the changes to pensions – schemes will have to assess the impact of climate change on their investments and report that information to you as a member.

The UK pension market is worth £2.2tn, ensuring that this is invested with sustainability in mind will play a key part in **making our world a better place.**