

Taking action on climate risk: Improving governance and reporting by occupational pension schemes

Thank you all for joining me here in Glasgow, home of the UN Climate Change conference – COP 26 – which is taking place next year.

As the first major economy to legislate on becoming Net Zero by 2050, the UK Government has a strong track record in setting the global climate agenda.

Indeed, over the past 10 years we have reduced greenhouse gas emissions by 28%, increased renewable electricity generation five-fold and created hundreds of thousands of low carbon jobs.

Our work though has only just begun as we continue to prioritise sustainable policies – building a low carbon economy, to ensure security for future generations to come; and building back better can absolutely be building back greener as we emerge from the initial economic impacts of the coronavirus.

It is this principle of ‘providing climate security for generations to come’ which I intend to focus on today.

As Work and Pensions Secretary, my role is to support people throughout their lives, from helping with childcare costs to supporting low income workers, or those who have lost their jobs to get back into work, to providing for those in their retirement and also helping to educate people about the importance of saving for later life.

Many people who will retire in 2050 may not yet be thinking that far ahead, but should all be thinking on that timeline as actions we take now usually do have long-lasting consequences.

In the UK, pension institutions control some £1.8 trillion of investments. Pension scheme trustees are entrusted with our savings and finances for retirement – investments that bear fruit in 10, 20, 30, 40 years’ time. So it is only right that they take into account the long-term financial risks and they are also in the ideal position to benefit from that change to a sustainable, low-carbon economy.

I am delighted to therefore today set out our proposals for consultation on – ‘Taking action on climate risk: improving governance and reporting by occupational pension schemes’.

I think this consultation marks one of the most significant steps to date in the UK’s pioneering progress on tackling climate change.

These proposals would see the UK become the first major economy in the world to require climate risks to be specifically considered by pension schemes and will ensure trustees are legally required to assess and report on the

financial risks of climate change within their portfolio.

We are at a climate change cross roads – we must begin to look at green and sustainable assets as the investments for the future of the planet and of our pensions. And any scheme that has no plan for the transition, is risking its future and the future of its members. Schemes of all sizes need to be acting right now for the financial risks and opportunities climate change presents, providing sustainable returns that will keep many pensioners comfortable in their retirement.

Time is not on our side on these significant decisions and while the UK has already made significant reductions in carbon emissions while still seeing economic growth, we will act at speed to implement our proposals informed by responses from the consultation. We want to see the 100 largest occupational pension schemes – those with £5bn or more in assets, and all authorised master trusts – we want to see them publish and produce climate risk disclosures by the end of 2022.

We expect the largest schemes to utilise their governance expertise and capacity, to set an industry standard to those with at least £1bn in assets, who will have to meet the same requirements in 2023. This means that by the end of 2023 we will have captured more than 70% of assets under management, and over 80% of members.

Following this, we will consult more widely again, before extending to smaller schemes in the market – taking account of both the quality of climate risk governance and associated disclosures carried out to date.

Our regulatory regime will cover about £1.3 trillion of assets, which is about 75% of occupational pension schemes assets. It will be for other regulators and responsible authorities to decide if they act on this to cover other schemes like personal or public sector pensions but I think it is right that long-term investors, such as trustees, take action to address these risks and protect the retirement savings of hard-working people. Some will say we should go further and call for complete divestment. We see this overly simplistic approach actually making it harder to achieve net zero. Pension schemes need to act in their members' best interests, not take moral stances on their members' behalf. And while some high-carbon firms will fail to make the transition to a low carbon economy, this is an opportunity to make companies transform their business models to be sustainable. Our reforms will ensure trustees are held more accountable than ever before. The consultation will also signal the Government's intention for schemes to report on the extent to which their portfolios are aligned with the 2015 Paris agreement, which requires the limiting of global, average temperature rises to remain below 2°C.

Countries across the globe are still some way off meeting the Paris agreement and there is much work to do. But these new regulations will make UK pension schemes the standard bearers in addressing climate change. It will be part of our ongoing work towards COP26 to bring other regulatory schemes on board around the world so that trillions of assets can be appropriately invested.

The Government is supportive of leaders in the occupational pension sector who are already reporting against TCFD and exploring how they can take steps towards Paris alignment. I would like to take the opportunity to thank them for their innovation and leading this change – and to reassure that the proposals we are consulting on today seek to build on and complement this work, raising the standard across the sector and improving incentives in the financial system for better climate-related reporting.

As we look forward to hosting COP26 next year here in Glasgow, we can be proud that the UK is at the forefront of efforts to tackle the challenges posed by climate change.

The Government (particularly my fellow minister Guy Opperman who has been working flat out on this agenda) welcomes the views of trustees and all other stakeholders' views on our proposals and asks that schemes play their part in meeting the challenges of climate change. This is a journey we must embark on together and no pension scheme is too small to make a difference.

[New pilots announced for return of spectators to elite sport](#)

The Government has announced a further batch of sporting events that will be used to pilot the safe return of spectators, after the Prime Minister confirmed it was safe for the trials to resume from 15 August.

The new phase of the programme began with the finals of the World Snooker Championships at the Crucible, Sheffield, on 15-16 August, and will continue with events including a Brighton & Hove Albion pre-season friendly this weekend.

The events have been selected to test a range of different event styles across the country's major men's and women's spectator sports. A number of successful pilots have already been completed as part of the programme's initial phase including snooker at the Crucible and cricket at Edgbaston and the Oval.

The initial tranche of pilots listed below will take place over the coming weeks, building up throughout September with a view to a full reopening for fans in October.

The pilots will only take place if the latest scientific and medical advice allows for them to proceed in a Covid-secure way, and will be paused again if the advice suggests that conditions in the local area are not met.

Secretary of State for Digital, Culture, Media and Sport, Oliver Dowden, said:

I know fans and their teams can't wait to be reunited in stadia across the country but it's imperative we take a cautious and phased approach to get fans back in safely.

I'm pleased that infection rates have levelled off enough to resume the pilot programme and we will continue to work intensively with sports, medical and health and safety experts towards welcoming more fans back as fast as we can.

Some events previously agreed as pilots went ahead behind closed doors earlier this month after a rise in infection rates led to the government pausing its [roadmap for recovery](#) on 31 July.

But on 13 August, the Prime Minister confirmed that the latest public health data showed it was safe to resume activities and reopenings that had been postponed.

Clear [guidance](#), produced in close consultation with the Sports Ground Safety Authority (SGSA), set out the strict measures that test events must follow to limit the spread of Covid-19.

These include:

- Upholding social distancing in queues;
- Minimising the risk of any pinch points or crowding;
- Carefully controlling bookings so that social distancing is observed in seating arrangements;
- Minimising the numbers of tickets sold to a pre-defined safe capacity, in accordance with regulator guidance;
- Recording people's data to assist NHS Test and Trace.

The next phase of test events are expected to include:

29 August, Brighton: Brighton & Hove Albion v TBC (men's pre-season friendly)

30 August, Lewes: Lewes FC v London Bees (women's pre-season friendly)

12 September, Dagenham: West Ham v Arsenal (women's Super League fixture)

20 September, Wembley: Non-League Finals day (FA Vase and FA Trophy), teams TBC

Rugby Union

5 September, Twickenham Stoop: Harlequins v Bath (Premiership fixture)

Horse Racing

9 September, Doncaster: St Leger

21 September, Warwick: Warwick

24 September, Cambridgeshire: Newmarket

Cricket

Late August/Early September, venues TBC: Bob Willis Trophy Games (4 Day) / T20 Blast Group Fixtures

Basketball

18 September, Eagles Community Arena, Newcastle: Pre-season BBL exhibition match

Speedway

26 September, Foxhall Stadium, Ipswich: British final

The pilots will be carefully monitored by the Department for Digital, Culture, Media and Sport and the Sports Ground Safety Authority to inform future decisions on further relaxations of the rules.

Capacity limits and ticketing processes will vary based on individual venues and events with further pilots to be announced in due course.

ENDS

Notes to editors:

Further updates to the guidance may be published to reflect the result of the test events before competition with spectators is permitted more widely. Competition Delivery Partners (the Competition Organiser and the Competition Venue Operator) should periodically check gov.uk for further updates.

Sport is a devolved matter and this guidance is applicable to elite sports in England. Those in Scotland, Wales and Northern Ireland should refer to guidance from the devolved administrations.

Pilots will still be required to receive all relevant local authorisations including their local Safety Advisory Group. Locations and attendance levels may change depending on the local Covid situation.

The Government continues to work closely with sporting bodies and plans to announce further sports pilots for September.

[Government funding for St Basils'](#)

youth homelessness programme

- Funding will support successful Youth Voice Programme working with young homeless people
- The experience of young people in West Midlands rehoused under 'Everyone In' to inform new policy and next steps
- Builds on ongoing work to support vulnerable people, including rough sleepers, with more than 15,000 helped during pandemic

Youth homelessness charity St Basils will benefit from £90,000 to enable it to continue its vital work supporting young people who are homeless or at risk of homelessness, Minister for Rough Sleeping and Housing, Luke Hall has announced today (26 August 2020).

The funding will enable the charity to continue its Youth Voice Programme where selected young homeless people from across the country feed their experience into government and other public sector organisations, ensuring their voices are heard.

St Basils will also undertake a detailed review into the experiences, needs and issues facing young people in the West Midlands who were housed as part of the government's 'Everyone In' scheme during the COVID-19 response.

The insights, recommendations and learnings from St Basils' study will be shared, to build on the government's ongoing evidence base on what works to prevent future homelessness amongst young people.

The government is funding St Basils' work to support young homeless people as part of its landmark commitment – backed by over half a billion pounds to tackle homelessness and rough sleeping over 2020/21 – to break the cycle of homelessness and end rough sleeping for good.

Measures also include the Next Steps Accommodation Programme, which funds local authorities and their partners to prevent people from returning to the streets, and the fast-tracking 6,000 additional homes for former rough sleepers across the country.

Minister for Rough Sleeping and Housing, Luke Hall MP said:

We have taken unprecedented action to support the most vulnerable people in our society during the pandemic. I'm delighted we're able to continue to support St Basils this year with £90,000 to continue their well-established and successful Youth Voice Programme. This will enable them to continue their hugely valuable work to ensure the voices of young homeless people are heard by the government and wider public sector.

Nationally, we have put in place bespoke support for councils through our Homelessness Advice and Support Team, which includes

dedicated youth homelessness advisers. The Youth Advisers are working closely with councils on the particular challenges that young people and care leavers are facing during COVID-19.

Nearly 15,000 vulnerable people have been housed in emergency accommodation since the beginning of the pandemic and we are funding longer-term accommodation – 3,300 homes this year alone – and tailored support so as few people as possible return to life on the streets.

Jean Templeton, CEO of St Basils, welcomed the funding, and said:

We are really pleased to secure this funding and continue to enable young people from across the country to have their experiences and voices heard.

It is particularly important at this time that young people can influence policy and investment decisions. Ensuring young people have truly affordable accommodation and support which underpins their ability to live, work, earn and learn is critical if we are to prevent an increase in youth homelessness. Their lived experience makes an invaluable contribution to the development of policy priorities and resource allocation.

The more young people can be engaged in making decisions about their own lives the more likely they are to successfully move into independence. This funding will provide valuable insight into the experiences of young people during the COVID-19 pandemic and highlight the challenges they face.

Over the course of the pandemic, the government has prioritised protecting the most vulnerable people by housing 15,000 people, including rough sleepers, in emergency accommodation. This includes a number of young people aged 18-25 years old.

St Basils' review will bring together anonymous data on the profile of young people in the West Midlands housed under the scheme as well as information on accommodation options and support levels and types offered under it and plans for move-on accommodation.

The government has planned effective responses to support young people in taking advantage of opportunities for move on, recovery and building a pathway to a more sustainable and independent future.

The review will also allow government to further tailor plans to prevent future homelessness amongst young people at risk of being made homeless as a result of immediate Covid-related pressures or longer-term economic pressures and job losses resulting from the pandemic.

The government has made clear that no one should be without a roof over their

head, which is why we have committed to end rough sleeping within this Parliament. The work of the Rough Sleeping Taskforce further demonstrates our commitment to supporting the most vulnerable in society.

We have provided £4.3 billion to help councils to manage the impacts of COVID-19, which includes their work to support homeless people, including £3.7 billion which is not ringfenced, and £600 million to support social care.

Also, we have accelerated plans – backed by £433 million over the next 4 years – which will deliver 6,000 additional homes for former rough sleepers across the country.

On 18 July, we launched the Next Steps Accommodation Programme (NSAP). This makes available the financial resources needed to support local authorities and their partners to prevent these people from returning to the streets. The NSAP is made up of 2 sources of funding: £161 million to deliver 3,300 units of longer term move-on accommodation within the next 12 months (part of the £433 million total); and £105 million of additional funding to pay for immediate support to ensure that people do not return to the streets.

We are supporting these efforts as part of our landmark commitment – backed by over half a billion pounds this year – to break the cycle of homelessness and end rough sleeping for good.

St Basils has been funded by MHCLG since 2012 to develop a network of young people with lived experience of homelessness across England. There will be currently 32 trained members of Youth Voice this year, with member in all nine regions of England.

This government implemented the Homelessness Reduction Act, the most ambitious reform to homelessness legislation in decades, which placed new duties on local housing authorities to take reasonable steps to try to prevent and relieve a person's homelessness. These new duties apply irrespective of whether a person has 'priority need' or may be regarded as being 'intentionally homeless'. This means that many more young people who may not previously have been eligible for support, are now being helped to prevent homelessness before it even occurs.

The Act also places a duty on public bodies, including Children's Services, Youth Offending Institutions and Youth Offending Teams ensuring better partnership working between public bodies and local authorities to prevent youth homelessness.

We have put in place bespoke support for local authorities through our Homelessness Advice and Support Team, which includes dedicated youth homelessness advisers who have a commitment to work with local authorities to proactively promote positive joint working across housing authorities and children's services, offering training, advice and support to all local authorities.

[Susan Acland-Hood made Acting Permanent Secretary at the Department for Education](#)

News story

Jonathan Slater will conclude his service at the Department for Education on 1 September.



The Prime Minister has concluded that there is a need for fresh official leadership at the Department for Education. Jonathan Slater has therefore agreed that he will stand down on 1 September, in advance of the end of his tenure in Spring 2021.

Susan Acland-Hood, currently interim second permanent secretary, will take over as Acting Permanent Secretary. A permanent successor to replace Jonathan Slater will be appointed in the coming weeks.

The Cabinet Secretary would like to put on record his thanks to Jonathan for 35 years of public service, culminating in over four years as Permanent Secretary of the Department for Education.

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[The AAIB has sent a team to Cheltenham](#)

News story

A team of AAIB inspectors has been sent to the scene of an air accident .



A team of AAIB inspectors has been sent to the scene of an accident involving a light aircraft in Cheltenham. We have begun an [investigation](#).

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