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Rt. Hon. Torsten Bell MP
Minister for Pensions
Department for Work and Pensions
Caxton House
Tothill Street
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Our Ref: MP10086 3 February 2026

Dear Torsten,

Re: Midland Clawback Campaign

I am writing further to the Westminster Hall debate on pension funds on Wednesday 23 April 2025 and your contribution on integrated pension schemes, sometimes referred to as clawback schemes.

As you acknowledged in the debate, while the original aim of integrated schemes was to provide a smoother income across retirement, their operation has, in practice, caused significant distress for many pensioners who did not expect their occupational pension to be reduced on reaching State Pension age. This has been a recurring issue for former employees of Midland Bank (now HSBC), whom I have been supporting through the Midland Clawback Campaign.

I recognise and accept your point that Government cannot retrospectively alter scheme rules or compel the removal of integration arrangements without wider consequences for defined benefit schemes. However, the concerns being raised are not solely about the legality of such schemes, but about their fairness in outcome, the adequacy of communication to members, and the responsibilities of employers and trustees where scheme design and historic employment practices have produced unequal impacts.

In the case of the former Midland Bank scheme, campaigners argue that the State Deduction has had a disproportionately severe effect on lower-paid pensioners and women, reflecting historic patterns of employment that you referenced in the debate. While schemes may comply with equal treatment in formal terms, the unequal effects experienced by different groups of members remain a matter of serious concern.

You also noted the fiduciary duties of trustees and the relevance of recent reforms relating to the use of surpluses in defined benefit schemes. Given the significant surplus reported within the scheme, it is not clear to affected pensioners why greater use has not been made of discretionary increases or other mechanisms to mitigate the impact of State Deduction, particularly in light of recent high inflation.

A further unresolved issue is communication. Although statutory disclosure requirements may have been met, many former employees maintain that the nature and long-term impact of State Deduction was not clearly understood at the time, particularly by women moved onto new contracts in the 1970s and 1980s. As you stated in the debate, without clear and comprehensible information, individuals cannot plan properly for retirement, and confidence in pension provision is undermined.

I would therefore welcome clarity on how the Department for Work and Pensions, working with the Pensions Regulator and the Pensions Ombudsman, is considering:

- whether existing standards for communication of complex scheme features are adequate;
- how trustees' duties in relation to discretionary increases and the use of surplus are being interpreted in practice;
- and how concerns about unequal impacts on women and lower earners can be examined where schemes are technically compliant with the law.

As Phase Two of the Pensions Review moves forward, focusing on adequacy and inequality, this case raises issues that merit serious consideration.

I would welcome the opportunity to meet to discuss this further.

I look forward to your response.

Yours Sincerely,

Dr Manuela Perteghella MP
Member of Parliament for Stratford-on-Avon