Charitable Giving from Pensions

Submission to 2026 ESPS Scheme AGM

1. Member Resolution

This member resolution asks the AGM to inform or remind individual group trustee boards that they can provide arrangements, using a suitable HMRC approved agency, that would allow their ESPS members in receipt of pension to give to charities(s) by deduction from said pension.

2. Background

Donating to charities via payroll is encouraged by the Government and is well established throughout the UK. The option to give from pension payroll does not appear to be available from the various ESPS groups.

There are various types of Payroll Giving arrangements available which provide a simple, tax efficient means of donating for employees and pensioners. The only criteria are that the employer or pension provider deducts tax through the PAYE system and operates a Payroll Giving scheme via an HMRC approved agency (Approved agencies for Payroll Giving – GOV.UK).

There are currently 23 publicly listed agencies on the official government directory. The market is dominated by three major providers: the Charities Aid Foundation (CAF), Charitable Giving and the Charities Trust. It is understood that historically at least one Trustee Board previously made arrangements with the Charities Aid Foundation, allowing members to donate via the CAF Give As You Earn (GAYE) scheme. However, following changes made by CAF to the terms on which the arrangement was available, the GAYE facility was withdrawn (as the CAF changes were not acceptable to the Trustees).

2.1 Key Benefits of Payroll Giving Arrangements

Being able to give to charities via payroll giving (whilst in employment) had mutual benefits for the charities, myself and indeed the company:

1) The charities were obviated of the need to claim gift aid and benefitted from a predictable income to supplement one off donations;
2) I was obviated of the need to either share bank details and set up separate direct debits for each of the three charities I chose to support;
3) The availability of Payroll Giving arrangements provided the company with another tool to promote a "culture of giving" complementing site efforts to support local charities through fundraising and volunteering.

2.2 Additional Detail

In contrast to members of other pension schemes (e.g. Nat West, https://www.natwestgrouppeople.com/payrollgiving/, the Universities Superannuation Scheme (USS), https://www.uss.co.uk/for-members/your-retirement-journey/your-pension-in-payment, the Principal Civil Service Pension Scheme (PCSPS)), ESPS pensioners do not have the opportunity to participate in Payroll Giving schemes.

Payroll Giving operates by an employee (or pensioner) stating how much they wish to donate and the UK charity or charities they wish to receive their donations. The deduction is made to pay (or pension) before tax, giving tax relief at the highest income tax rate. For example a donation of £10 would cost the employee or pensioner just £8, or £6 if a higher rate tax payer.

As mentioned previously there are alternative HMRC approved Payroll Giving Agencies (PGAs) in the UK other than the Charities Aid Foundation (CAF). To the best of my knowledge both the Charities Trust and Charitable Giving are significant commercial providers. Typically the PGA administration charge, between 0-4% (or 25p per donation if greater), is met by the receiving charity. As such, there are not significant upfront costs to be met by the employer (or pension provider).

It is therefore requested that this AGM encourage Trustee Boards to approach other pension schemes, who offer payroll giving, to understand their experiences and identify best practice. And then, to work with their scheme administrator to approach PGAs (likely other than CAF) with a view to identifying a preferred partner to put in place arrangements for their ESPS pensioners to have the option to give from payroll.

Also, if approved, to promote the payroll giving through the Pension website, future editions of the Fund's newsletter, and in any other way deemed appropriate.

3. Summary

It is requested that the AGM informs and reminds all Group Trustee Boards that they may make arrangements with a suitable HMRC approved agency to allow Payroll Giving for their pension members.

Dave McCubbin, Magnox Group
October 2026

EPTL AGM 2026 : Scheme Amendment : From Roger Barnard (UK Power Networks Group) and Terry Johnston (E.ON Group)

RESOLVED : THAT THIS MEETING

Having considered the reasons given in Section 1 below, now asks EPL and/or the ESPS Principal Employers to --

(a) adopt the proposed amendment of Clause 26 of the Scheme as shown in Section 2 below, and

(b) take such steps as are necessary to remove the existing Clause 26 and insert Clause 26 as amended.

Section 1 : Why the proposed amendment is needed

The functions and purposes of the Electricity Supply Pension Scheme apply to the pensions-related activities of the electricity industry as a whole, whether in generation, transmission, distribution, or supply.

It is therefore critically important that Scheme Members should be able to make meaningful contributions to the operation and development of the Scheme and its protection of their values and interests, in particular by an appropriate use of the Annual General Meetings of the Scheme.

It only takes a glance at Clause 26 of the Scheme to reveal that such key objectives are not adequately achieved. Instead, the current drafting of the Clause seems deliberately designed to deter, reduce, or even prevent membership participation in the policy-making of the Scheme.

This was seen at last year's AGM, when the officers and administrators of the Scheme would not allow onto the agenda a specific draft addressed to Parliament's Work and Pensions Committee, urging it to take action under what is now the Pension Schemes Act 2026 in relation to the power of trustees and the importance of pensions stability.

The root of the problem is the loose drafting of Clause 26 (e.g. "general business") coupled with the eagerness of lawyers to advise the Scheme (as happened at last year's AGM) that any subject falling outside a narrow and restrictive bandwidth for discussion must be rejected for not being "competent business", a nebulous concept if ever there was one.

Section 2 : Contents of the proposed amendment

The proposed amendment of Clause 26 is presented below in draft form, together with the existing version of the Clause as contained within the Scheme's clauses and rules. For ease of comparison, colours are used to highlight the areas of relevant difference between the two items.

26. Annual General Meetings of Members (existing version)

An Annual General Meeting of the Members shall be held at such place and on such date in every year as the Scheme Trustee shall from time to time appoint for the purpose of receiving the statement of accounts and the Auditor's report thereon and the report by the Scheme Trustee on the working of the Fund for the period covered by the statement of accounts, and for the conduct of the general business of the Scheme.

26. Annual General Meetings of Members (amended version)

An Annual General Meeting of the Members shall be held at such place and on such date in every year as the Scheme Trustee shall from time to time appoint for the purpose of**:**

(a) receiving the statement of accounts and the Auditor's report thereon and the report by the Scheme Trustee on the working of the Fund for the period covered by the statement of accounts, and

(b) reviewing the conduct of the general business of the Scheme including consideration of any resolutions proposed by Scheme Members that are clearly relevant, whether at Group level or otherwise, to the values of the Scheme and the performance of its core functions.

Given the sheer volume and complexity of the ESPS clauses and rules, the sponsors of the amendment recognise that it would be desirable to keep the proposed new clause both brief and simple, provided it is consistent with their reasons for amending the existing clause (Section 1 above).

The amendment as drafted, therefore, reflects a modest approach which the sponsors believe would nevertheless be sufficient to encourage and assist more meaningful member-participation in the Scheme's AGMs.

Roger Barnard / Terry Johnston / October 2026