

National Insurance Contributions (Secondary Class 1 Contributions) Bill

COMMONS REASONS

[The page and line references are to HL Bill 56, the Bill as first printed for the Lords]

Clause 1

LORDS AMENDMENT 1

- 1 Clause 1, page 1, line 1, at end insert –
- “(A1) In section 9(1A) of the Social Security Contributions and Benefits Act 1992, after paragraph (aa) insert –
- “(ab) if the employer is a specified employer under subsection (1B), the specified employer secondary percentage;”.
- (A2) After section 9(1A) of that Act insert –
- “(1B) A “specified employer” means –
- (a) a person providing a care home service or a domiciliary support service who is regulated under –
 - (i) Part 1 of the Health and Social Care Act 2008, or
 - (ii) Part 1 of the Regulation and Inspection of Social Care (Wales) Act 2016,
 - (b) a person providing a service who is regulated under section 47(1)(a) or (b) of the Public Services Reform (Scotland) Act 2010,
 - (c) a person contracted to provide primary care under the provisions of –
 - (i) Part 4 of the National Health Service Act 2006,
 - (ii) Part 4 of the National Health Service (Wales) Act 2006, or
 - (iii) sections 17J to 17O of the National Health Service (Scotland) Act 1978,
 - (d) a person contracted to provide general dental services under the provisions of Part 2 of the National Health Service (General Dental Services) Regulations 1992,

- (e) a person contracted to provide pharmacy services under the provisions of—
 - (i) Part 7 of the National Health Service Act 2006, or
 - (ii) Part 8 of the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013, or
 - (f) a charitable provider of health and care,
 - (g) a person providing hospice care whether in a hospice or elsewhere, or
 - (h) a carer to whom section 2(3A) of the National Insurance Contributions Act 2014 applies.
- (1C) For the purposes of this Act, the specified employer secondary percentage is 13.8%.”

COMMONS REASON

The Commons disagree to Lords Amendment 1 for the following Reason –

- 1A** *Because the Lords Amendment interferes with the public revenue, and the Commons do not offer any further Reason, trusting that this Reason may be deemed sufficient.*

LORDS NON-INSISTENCE AND AMENDMENT IN LIEU

The Lords do not insist on their Amendment 1, to which the Commons have disagreed for their Reason 1A, and do propose Amendment 1B in lieu –

- 1B** After Clause 1, insert the following new Clause –

“Exemptions from the changes made by section 1: NHS and social care

- (1) The Treasury may by regulations made by statutory instrument specify that certain categories of persons are exempted from the changes to the rate of secondary Class 1 contributions made by section 1 of this Act.
- (2) The categories of persons any of whom may be specified under subsection (1) are—
 - (a) a person providing a care home service or a domiciliary support service who is regulated under—
 - (i) Part 1 of the Health and Social Care Act 2008, or
 - (ii) Part 1 of the Regulation and Inspection of Social Care (Wales) Act 2016;
 - (b) a person providing a service who is regulated under section 47(1)(a) or (b) of the Public Services Reform (Scotland) Act 2010;
 - (c) a person providing a care home service or domiciliary support service regulated under the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003;
 - (d) a person contracted to provide primary care under the provisions of—
 - (i) Part 4 of the National Health Service Act 2006,
 - (ii) Part 4 of the National Health Service (Wales) Act 2006, or

- (iii) sections 17J to 17O of the National Health Service (Scotland) Act 1978;
 - (e) a person providing primary medical services through contractual arrangements with a Health and Social Services Board;
 - (f) a person contracted to provide general dental services under the provisions of Part 2 of the National Health Service (General Dental Services) Regulations 1992;
 - (g) a person providing general dental services under Part 2 of the General Dental Services (Northern Ireland) Regulations 1993;
 - (h) a person contracted to provide pharmacy services under the provisions of—
 - (i) Part 7 of the National Health Service Act 2006, or
 - (ii) Part 8 of the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013;
 - (i) a person providing pharmaceutical services under Part 2 of the Pharmaceutical Services Regulations (Northern Ireland) 1997;
 - (j) a charitable provider of health and care;
 - (k) a provider of health and care registered as a charity by the Charity Commission for Northern Ireland;
 - (l) a person providing hospice care whether in a hospice or elsewhere;
 - (m) a carer to whom section 2(3A) of the National Insurance Contributions Act 2014 applies.
- (3) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.”

COMMONS REASON

The Commons disagree to Lords Amendment 1B for the following Reason –

- 1C** *Because the Lords Amendment interferes with the public revenue, and the Commons do not offer any further Reason, trusting that this Reason may be deemed sufficient.*

Clause 2

LORDS AMENDMENT 5

- 5** Clause 2, page 1, line 12, after “£96” insert “or,
- (b) for a specified employer under section 9(1B) of the Social Security Contributions and Benefits Act 1992, £175.”

COMMONS REASON

The Commons disagree to Lords Amendment 5 for the following Reason –

- 5A** *Because the Lords Amendment interferes with the public revenue, and the Commons do not offer any further Reason, trusting that this Reason may be deemed sufficient.*

LORDS NON-INSISTENCE AND AMENDMENT IN LIEU

The Lords do not insist on their Amendment 5, to which the Commons have disagreed for their Reason 5A, and do propose Amendment 5B in lieu –

5B After Clause 2, insert the following new Clause –

“Exemptions from the changes made by section 2: NHS and social care

- (1) The Treasury may by regulations made by statutory instrument specify that certain categories of persons are exempted from the changes to the thresholds for secondary Class 1 contributions made by section 2 of this Act.
- (2) The categories of persons any of whom may be specified under subsection (1) are –
 - (a) a person providing a care home service or a domiciliary support service who is regulated under –
 - (i) Part 1 of the Health and Social Care Act 2008, or
 - (ii) Part 1 of the Regulation and Inspection of Social Care (Wales) Act 2016;
 - (b) a person providing a service who is regulated under section 47(1)(a) or (b) of the Public Services Reform (Scotland) Act 2010;
 - (c) a person providing a care home service or domiciliary support service regulated under the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003;
 - (d) a person contracted to provide primary care under the provisions of –
 - (i) Part 4 of the National Health Service Act 2006,
 - (ii) Part 4 of the National Health Service (Wales) Act 2006, or
 - (iii) sections 17J to 17O of the National Health Service (Scotland) Act 1978;
 - (e) a person providing primary medical services through contractual arrangements with a Health and Social Services Board;
 - (f) a person contracted to provide general dental services under the provisions of Part 2 of the National Health Service (General Dental Services) Regulations 1992;
 - (g) a person providing general dental services under Part 2 of the General Dental Services (Northern Ireland) Regulations 1993;
 - (h) a person contracted to provide pharmacy services under the provisions of –
 - (i) Part 7 of the National Health Service Act 2006, or
 - (ii) Part 8 of the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013;
 - (i) a person providing pharmaceutical services under Part 2 of the Pharmaceutical Services Regulations (Northern Ireland) 1997;
 - (j) a charitable provider of health and care;
 - (k) a provider of health and care registered as a charity by the Charity Commission for Northern Ireland;
 - (l) a person providing hospice care whether in a hospice or elsewhere;

- (m) a carer to whom section 2(3A) of the National Insurance Contributions Act 2014 applies.
- (3) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.”

COMMONS REASON

The Commons disagree to Lords Amendment 5B for the following Reason –

- 5C** *Because the Lords Amendment interferes with the public revenue, and the Commons do not offer any further Reason, trusting that this Reason may be deemed sufficient.*

LORDS AMENDMENT 8

- 8** Clause 2, page 1, line 12, after “£96” insert “or,
(b) for businesses and organisations with fewer than 25 full-time employees, £175.”

COMMONS REASON

The Commons disagree to Lords Amendment 8 for the following Reason –

- 8A** *Because the Lords Amendment interferes with the public revenue, and the Commons do not offer any further Reason, trusting that this Reason may be deemed sufficient.*

LORDS NON-INSISTENCE AND AMENDMENT IN LIEU

The Lords do not insist on their Amendment 8, to which the Commons have disagreed for their Reason 8A, and do propose Amendment 8B in lieu –

- 8B** Clause 2, page 1, line 15, at end insert –
“(3A) The Treasury may by regulations made by statutory instrument specify that businesses or organisations with fewer than 25 full-time employees are exempted from the changes to secondary Class 1 thresholds made by this section.
(3B) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.”

COMMONS REASON

The Commons disagree to Lords Amendment 8B for the following Reason –

- 8C** *Because the Lords Amendment interferes with the public revenue, and the Commons do not offer any further Reason, trusting that this Reason may be deemed sufficient.*

After Clause 3

LORDS AMENDMENT 21

21 After Clause 3, insert the following new Clause –

“Review of effect on certain sectors

- (1) The Chancellor of the Exchequer must, within six months of the day on which the Act is passed, lay before Parliament a review of the impact of the measures contained in this Act on the persons and sectors in subsection (2).
- (2) The review must consider the impact on –
 - (a) charities;
 - (b) creative industries;
 - (c) dentists;
 - (d) early years providers;
 - (e) farms;
 - (f) general practitioners;
 - (g) hospices;
 - (h) hospitality;
 - (i) pharmacies;
 - (j) retail;
 - (k) small businesses;
 - (l) social care;
 - (m) universities.”

COMMONS REASON

The Commons disagree to Lords Amendment 21 for the following Reason –

21A *Because information has already been published about these matters and a further review is not necessary.*

LORDS NON-INSISTENCE AND AMENDMENT IN LIEU

The Lords do not insist on their Amendment 21, to which the Commons have disagreed for their Reason 21A, and do propose Amendment 21B in lieu –

21B After Clause 3, insert the following new Clause –

“Review of effect on certain sectors

- (1) The Chancellor of the Exchequer must, within six months of the day on which this Act is passed, lay before Parliament a review of the impact of the measures contained in this Act on the persons and sectors in subsection (2).
- (2) The review must consider the impact on –
 - (a) charities with annual revenue of less than £1 million;
 - (b) early years providers;
 - (c) hospices;

- (d) the hospitality sector;
- (e) pharmacies;
- (f) small businesses;
- (g) social care;
- (h) transport for children with special educational needs or disabilities.”

COMMONS REASON

The Commons disagree to Lords Amendment 21B for the following Reason –

21C *Because information has already been published about these matters and a further review is not necessary.*

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