

Public Authorities (Fraud, Error and Recovery) Bill

SECOND MARSHALLED LIST OF AMENDMENTS TO BE MOVED IN GRAND COMMITTEE

The amendments have been marshalled in accordance with the Instruction of 15th May 2025, as follows –

Clauses 1 to 7	Schedule 4
Schedule 1	Clauses 78 to 91
Clauses 8 to 69	Schedule 5
Schedule 2	Clause 92
Clauses 70 to 74	Schedule 6
Schedule 3	Clauses 93 to 106
Clauses 75 to 77	Title

[Amendments marked ★ are new or have been altered]

**Amendment
No.**

Clause 10

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

23 Clause 10, page 8, line 19, leave out from second “authority” to end of line 21

Member's explanatory statement

This amendment seeks to probe where the Government expects it would be appropriate for the Cabinet Office to retain a recoverable amount which has been recovered on behalf of another public authority.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

24 Clause 10, page 8, line 21, at end insert –

“(3) Where the amount recovered under this section is greater than £50,000, the public authority on whose behalf the amount was recovered must conduct an internal review to establish the circumstances in which the recovery of the amount became necessary.

- (4) Any review conducted under subsection (3) must be provided to the Minister within three months of the completion of the review.”

Member's explanatory statement

This amendment would require public authorities to conduct an internal review if they lost £50,000 or more through overpayment or fraud, and provide that report to the Minister for the Cabinet Office.

Clause 13

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 25 Clause 13, page 9, line 29, at end insert “and are awarded by a court or tribunal in relation to costs”

Member's explanatory statement

This amendment would require a court or tribunal to award the reasonable costs incurred by the Minister, thus preventing the Minister from charging reasonable costs without appropriate oversight.

Clause 14

BARONESS SHERLOCK

- 26 Clause 14, page 9, line 33, leave out paragraph (a) and insert –
“(a) the period for appealing mentioned in section 60(2)(a) has passed without an appeal being brought, or”

Member's explanatory statement

This amendment is consequential on my amendment to clause 60, page 32, line 25.

Clause 17

BARONESS FOX OF BUCKLEY
LORD PALMER OF CHILDS HILL

- 27 Clause 17, page 10, line 19, leave out “make” and insert “apply to the appropriate court for”

Member's explanatory statement

This amendment removes the power of the Minister to make direct deduction orders and instead provides for direct deduction orders to be made only by a court following an application by the Minister to the court.

Clause 18

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 28 Clause 18, page 11, line 17, leave out “a reasonable period of time” and insert “5 years”

Member's explanatory statement

This amendment seeks to specify a reasonable period of time for the recovery of an amount from a personal bank account, so as to protect the partners of liable persons from having an amount deducted from their joint account after five years.

Clause 19

BARONESS FOX OF BUCKLEY
LORD PALMER OF CHILDS HILL

- 29 Clause 19, page 11, line 25, after “Minister” insert “reasonably”

Member's explanatory statement

This amendment requires the Minister to “reasonably believe” rather than just “believe” a liable person holds the bank account in question to set an objective, rather than subjective, belief test.

BARONESS SHERLOCK

- 30 [Withdrawn]

BARONESS SHERLOCK

- 31 [Withdrawn]

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 32 Clause 19, page 12, line 35, at end insert —

“(11) In performing their functions under this section the Minister must have due regard to the operational and opportunity cost burden placed on the bank.”

Member's explanatory statement

This amendment would require the Minister to have due regard to the cost burden placed on the bank as a result of the use of powers granted to the Minister under Clause 19.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

33 Clause 19, page 12, line 35, at end insert —

“(11) Within 12 months of the day on which this section comes into force, the Minister must undertake a review of the compliance cost to banks of responding to information requests under this section.”

Member's explanatory statement

This amendment would require the Minister to undertake a review of the costs banks are having imposed upon them by this section within 12 months of the coming into effect of Clause 19.

Clause 20

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

33A Clause 20, page 13, line 1, at beginning insert “If the Minister is unable to determine the share of beneficial interest pertaining to the liable person accurately, then”

Member's explanatory statement

This amendment seeks to assign a duty to the Minister to attempt to determine the share of beneficial interest before using the formula defined in the Bill.

Clause 21

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

34 Clause 21, page 14, line 6, leave out “as soon as reasonably practicable after” and insert “within 7 working days of”

Member's explanatory statement

This amendment would require the Minister to provide the notice to the liable person and the other account holders within seven working days of the day when the notice was provided to the bank.

Clause 23

BARONESS SHERLOCK

35 Clause 23, page 15, line 3, leave out “, or a method for calculating the amounts,”

Member's explanatory statement

This amendment means that a regular direct deduction order given by the Minister for the Cabinet Office must specify the amounts to be deducted.

BARONESS SHERLOCK

- 36 Clause 23, page 15, line 8, leave out “, or different methods for calculating the amounts,”

Member's explanatory statement

This amendment is consequential on my amendment to clause 23, page 15, line 3.

BARONESS SHERLOCK

- 37 Clause 23, page 15, line 11, leave out “, or method for calculating the amount,”

Member's explanatory statement

This amendment means that a lump sum direct deduction order given by the Minister for the Cabinet Office must specify the amount to be deducted.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 38 Clause 23, page 15, line 22, at and insert—

“(7) The Minister must have due regard to the costs imposed on banks as a result of the exercise of the powers under this section.”

Member's explanatory statement

This amendment would require the Minister to have due regard to the costs imposed on banks as a result of the exercise of powers under this section.

Clause 24BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 39 Clause 24, page 15, line 24, leave out “may” and insert “must”

Member's explanatory statement

This amendment would ensure provision for banks to recover the costs incurred as part of a direct deduction order is always included in the order.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 40 Clause 24, page 15, line 27, at end insert “, as determined through mutual agreement by the Minister and the bank”

Member's explanatory statement

This amendment would ensure that the relevant bank is involved in determining the amount of money they could recover to cover their costs.

Clause 26

BARONESS SHERLOCK

- 41 Clause 26, page 16, line 14, leave out “first notice” and insert “pre-deduction notice”

Member's explanatory statement

This amendment, together with my other amendments to clauses 26 and 27 to the same effect, would replace the tag “first notice” with “pre-deduction notice”. This has no substantive effect but is intended to be easier to understand.

BARONESS SHERLOCK

- 42 Clause 26, page 17, line 2, leave out “first notice” and insert “pre-deduction notice”

Member's explanatory statement

See the explanatory statement for my amendment to clause 26, page 16, line 14.

BARONESS SHERLOCK

- 43 Clause 26, page 17, line 8, leave out “, or calculated in accordance with,”

Member's explanatory statement

This amendment is consequential on my amendments to clause 23, page 15, line 3 and clause 23, page 15, line 11.

BARONESS SHERLOCK

- 44 Clause 26, page 17, line 9, leave out “first notice” and insert “pre-deduction notice”

Member's explanatory statement

See the explanatory statement for my amendment to clause 26, page 16, line 14.

Clause 27

BARONESS SHERLOCK

- 45 Clause 27, page 17, line 11, leave out “first notice” and insert “pre-deduction notice”

Member's explanatory statement

See the explanatory statement for my amendment to clause 26, page 16, line 14.

BARONESS SHERLOCK

- 46 Clause 27, page 17, line 12, leave out “in relation to an account that they hold” and insert “(other than a bank) in relation to an account”

Member's explanatory statement

See the explanatory statement for my amendment inserting a new clause after clause 36.

BARONESS SHERLOCK

- 47 Clause 27, page 17, line 13, leave out “first notice” and insert “pre-deduction notice”

Member's explanatory statement

See the explanatory statement for my amendment to clause 26, page 16, line 14.

BARONESS SHERLOCK

- 48 Clause 27, page 17, line 16, leave out “first notice” and insert “pre-deduction notice”

Member's explanatory statement

See the explanatory statement for my amendment to clause 26, page 16, line 14.

BARONESS SHERLOCK

- 49 Clause 27, page 17, line 22, leave out “first notice” and insert “pre-deduction notice”

Member's explanatory statement

See the explanatory statement for my amendment to clause 26, page 16, line 14.

Clause 28

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 50 Clause 28, page 17, line 31, at end insert “and set out the reasons why this decision was reached, in writing.”

Member's explanatory statement

This amendment would compel the Minister to set out in writing the reasons for their decision on the application to vary a direct deduction order.

Clause 29

BARONESS SHERLOCK

- 51 Clause 29, page 18, line 1, after “order” insert “other than under subsection (7)”

Member's explanatory statement

This amendment removes an unnecessary requirement to seek representations from account holders before a direct deduction order is varied in circumstances where their consent is required in any event.

BARONESS SHERLOCK

52 Clause 29, page 18, line 24, leave out sub-paragraph (ii)

Member's explanatory statement

This amendment removes a provision that is redundant (because section 23(5) applies in relation to every direct deduction order).

Clause 30

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

53 Clause 30, page 19, line 8, at end insert —

“(d) in the event that the liable person has died, the liable person’s next of kin or the executor of their estate.”

Member's explanatory statement

This amendment would ensure that the next of kin/executor of their estate was informed that a notice had been revoked, in the event that the liable person had died.

Clause 31

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

54 Clause 31, page 19, line 27, at end insert —

“(5) The Minister must have due regard to the costs imposed on banks as a result of the exercise of the provisions in this section.”

Member's explanatory statement

This amendment would require the Minister to have due regard to the costs imposed on banks as a result of the exercise of powers under this section.

Clause 32

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

55 Clause 32, page 19, line 34, at end insert —

“(3) The Minister may not re-start a suspended requirement to make deductions under subsection (1) if a period of 24 months has elapsed after the liable person has been notified of the suspension of the requirement.”

Member's explanatory statement

This amendment would prevent suspended requirements to make deductions from being re-started after a period of 24 months has elapsed since the liable person was notified of the suspension of the requirement.

Clause 34

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 56 Clause 34, page 20, line 20, after “must” insert “appoint an independent person to”

Member's explanatory statement

This amendment would ensure reviews of decisions to make a direct deduction order are undertaken by an independent person.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 57 Clause 34, page 20, line 21, leave out “Minister” and insert “independent person”

Member's explanatory statement

This amendment would ensure decisions following reviews under this section are undertaken by an independent person.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 58 Clause 34, page 20, line 25, after “out” insert “and the independent person has formally notified the Minister of their decision”

Member's explanatory statement

This amendment would ensure the Minister receives formal notification of the independent person's decision before the Minister is required to notify the applicant of the outcome of the review.

After Clause 34

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 59 After Clause 34, insert the following new Clause —

“Independent reviewer

- (1) The Minister may by regulations establish a body to serve as an independent reviewer for the purpose of undertaking reviews under section 34.

- (2) Regulations made under subsection (1) must provide that any person appointed as the Chair of the body must attend any pre-appointment scrutiny hearing held by the Public Accounts Committee of the House of Commons or any successor committee.
- (3) Regulations under this section are subject to the affirmative procedure.”

Member's explanatory statement

This amendment would allow the Minister to establish an independent review body to undertake the reviews under clause 34.

Clause 35

BARONESS SHERLOCK

60

Clause 35, page 21, line 3, leave out from “person” to end of line 5 and insert “may not bring an appeal under subsection (1) after the end of—

- (a) the period of 28 days beginning with the day after the day on which the person was notified of the outcome of the review, or
- (b) such longer period (if any) as the Tribunal considers reasonable in all the circumstances.”

Member's explanatory statement

This amendment means that the tribunal can extend the time limit for bringing an appeal in relation to a direct deduction order of the Minister for the Cabinet Office.

After Clause 36

BARONESS SHERLOCK

61

After Clause 36, insert the following new Clause—

“Deputies

- (1) This section applies where a person (a “deputy”) acts on behalf of an account holder (including a liable person) in relation to their account by virtue of—
 - (a) a power of attorney, or
 - (b) an appointment by, or an order of, a court.
- (2) The following provisions apply in relation to the deputy of the account holder as they apply in relation to the account holder—
 - (a) section 17(7);
 - (b) section 19(5)(b) and (c);
 - (c) section 19(9);
 - (d) section 19(9A);
 - (e) section 21;
 - (f) section 26(1);
 - (g) section 28;

- (h) section 29(3), (6) and (8)(b);
 - (i) section 30(3);
 - (j) section 31(3);
 - (k) section 32(2);
 - (l) section 34;
 - (m) section 35.
- (3) Section 29(7)(a) and (b) applies in relation to the deputy of the account holder instead of the account holder.”

Member's explanatory statement

This new clause, together with my amendment to clause 27, page 17, line 12, ensures that the provisions about direct deduction orders in Part 1 of the Bill operate effectively where a person acts on behalf of an account holder by virtue of a power of attorney or an appointment by, or an order of, a court.

Clause 43

BARONESS FOX OF BUCKLEY
LORD PALMER OF CHILDS HILL

- 62 Clause 43, page 26, line 3, leave out “and re-start”

Member's explanatory statement

This amendment removes the power to re-start a deduction from earnings order where they have been suspended.

Clause 49

BARONESS SHERLOCK

- 63 Clause 49, page 28, line 18, leave out from “appeal” to end of line 20 and insert “may not be brought after the end of –

- (a) the period of 28 days beginning with the day after the day on which the liable person was notified of the outcome of the review, or
- (b) such longer period (if any) as the Tribunal considers reasonable in all the circumstances.”

Member's explanatory statement

This amendment means that the tribunal can extend the time limit for bringing an appeal in relation to a deduction from earnings order.

Clause 60

BARONESS SHERLOCK

- 64 Clause 60, page 32, line 25, leave out from “appeal” to end of line 26 and insert “may not be brought after the end of –
- (a) the period of 28 days beginning with the day after the day on which the person is given the penalty notice, or
 - (b) such longer period (if any) as the appropriate court considers reasonable in all the circumstances.”

Member's explanatory statement

This amendment means that the tribunal or court hearing an appeal against a penalty imposed by the Minister for the Cabinet Office under Chapter 5 of the Bill (penalty relating to fraud or penalty for failing to comply with requirements) can extend the time limit for the bringing of that appeal.

After Clause 63

LORD PALMER OF CHILDS HILL

- 65 After Clause 63, insert the following new Clause –
- “Report on public sector fraud during COVID-19 pandemic**
- (1) The Minister for the Cabinet Office must, within six months of the passing of this Act, lay before Parliament a report evaluating the extent of public sector fraud that occurred during the COVID-19 pandemic.
 - (2) The report must include –
 - (a) an account of fraudulent or erroneous payments made by or on behalf of public authorities, including but not limited to the Department of Health and Social Care and NHS England,
 - (b) a review of how public procurement practices in place between March 2020 and December 2021, including –
 - (i) the use of high priority and expedited contracting for suppliers, and
 - (ii) the role of political appointments and personal connections in procurement decisions, may have contributed to fraud against public authorities,
 - (c) the cost to the public purse of fraud against public authorities during the COVID-19 pandemic, and
 - (d) an assessment of the adequacy of Government oversight and other measures then in place to prevent fraud against public authorities.
 - (3) Where the report finds or concludes that there were –
 - (a) failings in Government oversight and other measures then in place to prevent fraud against public authorities, or
 - (b) any action or inaction by the Government which enabled fraud against public authorities,

the Minister must make a statement to the House of Commons acknowledging these findings and setting out actions planned to ensure any failings are not repeated.”

BARONESS KRAMER

66 After Clause 63, insert the following new Clause—

“The Office of the Whistleblower for public sector fraud

- (1) The Secretary of State must by regulations made by statutory instrument within one year after the passing of this Act establish a body corporate called the Office of the Whistleblower for public sector fraud (in this Act referred to as “the Office”).
- (2) The principal duty of the Office is to protect whistleblowers and have oversight of the process of whistleblowing in relation to public sector fraud.
- (3) The Office must carry out all its work in accordance with the principal duty.
- (4) The objectives of the Office are—
 - (a) to encourage and support whistleblowers to refer concerns to the appropriate authorities;
 - (b) to support an effective and fair whistleblowing process;
 - (c) to protect the public purse and ensure that wrongdoers bear the cost of wrongdoing revealed by whistleblowing;
 - (d) to promote good governance through the normalisation of whistleblowing;
 - (e) to ensure that concerns raised by whistleblowers are acted upon; and,
 - (f) to monitor and review the operation of this Act.
- (5) The Office must seek to achieve those objectives consistently with its principal duty.
- (6) Regulations made under this section are subject to the affirmative procedure.”

Member’s explanatory statement

This amendment establishes the office of the whistleblower which has the duty to oversee the process of whistleblowing in relation to public and private sector fraud.

After Clause 65

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

67 After Clause 65, insert the following new Clause—

“Annual reporting: use of powers

- (1) The Minister must prepare and publish a report on the use of powers conferred on them under this Part within 12 months of the day on which sections 1 and 2 come into force, and annually thereafter.

- (2) Any report published under subsection (1) must be laid before both Houses of Parliament within seven days of its publication.”

Member's explanatory statement

This amendment requires the Minister to publish an annual report on the use of powers conferred on them by Part 1 of the Bill, which must then be laid before Parliament within seven days of publication.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

68 After Clause 65, insert the following new Clause —

“Annual reporting: extent of public sector fraud

- (1) The Minister must prepare and publish a report on the extent of fraud against public authorities based on the Government’s internal estimates.
- (2) Any report published under subsection (1) must be laid before both Houses of Parliament within seven days of its publication.”

Member's explanatory statement

This amendment requires the Minister to publish an annual report on the estimated scale of fraud against public authorities, which must then be laid before Parliament within seven days of publication.

Schedule 2

LORD SIKKA

69 Schedule 2, page 71, line 2, at end insert “, subject to a review by the Treasury Committee in the House of Commons if that Committee so wishes.”

Member's explanatory statement

This amendment, in combination with other amendments in Lord Sikka’s name, seeks to ensure that the Treasury Committee can review appointments to the PSFA.

LORD SIKKA

70 Schedule 2, page 71, line 7, at end insert “, and subject to a review by the Treasury Committee in the House of Commons if that Committee so wishes.”

Member's explanatory statement

This amendment, in combination with other amendments in Lord Sikka’s name, seeks to ensure that the Treasury Committee can review appointments to the PSFA.

LORD SIKKA

- 71 Schedule 2, page 71, line 12, at end insert “, subject to a review by the Treasury Committee in the House of Commons if that Committee so wishes.”

Member's explanatory statement

This amendment, in combination with other amendments in Lord Sikka's name, seeks to ensure that the Treasury Committee can review appointments to the PSFA.

LORD SIKKA

- 72 Schedule 2, page 71, line 30, at end insert “in writing and accompanied with a statement stating either —

- (a) that there are circumstances in connection with their resignation that the public needs to be aware of, or
- (b) that there are no circumstances that the public needs to be aware of.”

Member's explanatory statement

This amendment seeks to enhance transparency when a member of the PSFA resigns from office.

LORD SIKKA

- 73 Schedule 2, page 71, line 36, at end insert —

- “(3A) A member removed under sub-paragraph (3) has the right to issue a public statement on the reasons for removal.”

Member's explanatory statement

This amendment seeks to enhance transparency when a member of the PSFA is removed from office.

LORD SIKKA

- 74 Schedule 2, page 73, line 20, at end insert —

- “(3) Meetings of the PSFA must be open to all and the minutes and background papers for PSFA meetings must be made publicly available.”

Member's explanatory statement

This amendment seeks to ensure openness and public accountability for the PSFA meetings and procedures.

Clause 70

BARONESS FOX OF BUCKLEY
LORD PALMER OF CHILDS HILL

75 Clause 70, page 37, line 5, at end insert —

““appropriate court” means —

- (a) in England and Wales, the county court;
- (b) in Scotland, the sheriff;”

Member's explanatory statement

This amendment is consequential on the amendment in the name of Baroness Fox of Buckley to Clause 17, page 10, line 19.

LORD VAUX OF HARROWDEN
BARONESS BENNETT OF MANOR CASTLE

75A Clause 70, page 37, line 32, at end insert —

““reasonable grounds” do not include generalisations or stereotypes of certain categories of people, for example that members of a particular social group are more likely to be involved in fraudulent activity than others, irrespective of whether they are made through entirely automated, partially automated, or non-automated processes;”

Member's explanatory statement

This amendment, and another in the name of Lord Vaux of Harrowden, clarifies that people cannot be investigated for fraud based on stereotypes and generalisations, be this through the use of algorithms, human assessment, or a combination.

Clause 72

LORD SIKKA

76 Clause 72, page 40, line 12, at end insert —

“(6) P is liable for all errors arising from the information provided.”

Member's explanatory statement

This amendment seeks to clarify which party is liable for the consequences of providing incorrect information.

LORD VAUX OF HARROWDEN

77 Clause 72, page 40, line 20, at beginning insert “reasonably”

Member's explanatory statement

This amendment would insert a reasonableness test for the authorised officer to consider it to be necessary and proportionate to require the specified information.

LORD SIKKA

78 Clause 72, page 40, line 39, at end insert —

“(d) information about who would be liable for any misstatement, errors and omissions which may occur in complying with the information notice.”

Member's explanatory statement

This amendment seeks to clarify who is liable for the consequences of providing incorrect information.

LORD SIKKA

79 Clause 72, page 41, line 9, at end insert —

“(6A) A copy of the information notice must be sent to the parties affected by the notice.”

Member's explanatory statement

This amendment seeks to ensure that affected parties are informed of the information requests.

LORD VAUX OF HARROWDEN
BARONESS BENNETT OF MANOR CASTLE

79A Clause 72, page 42, line 10, at end insert —

“(6) In section 191 (interpretation) after the definition of “prescribe” insert-
“reasonable grounds” do not include generalisations or stereotypes of certain categories of people, for example that members of a particular social group who are more likely to be involved in fraudulent activity than others, irrespective of whether they are made through entirely automated, partially automated, or non-automated processes;”

Member's explanatory statement

This amendment, and another in the name of Lord Vaux of Harrowden, clarifies that people cannot be investigated for fraud based on stereotypes and generalisations, be this through the use of algorithms, human assessment, or a combination.

Clause 74

BARONESS KRAMER
BARONESS BENNETT OF MANOR CASTLE

Baroness Kramer gives notice of her intention to oppose the Question that Clause 74 stand part of the Bill.

Member's explanatory statement

This removes the requirement for banks to look into relevant claimants' bank accounts.

Schedule 3

LORD VAUX OF HARROWDEN

79B Schedule 3, page 77, line 16, at end insert—

“(1A) The Secretary of State may issue an eligibility verification notice only if reasonably satisfied that doing so is necessary and proportionate for the purposes of identifying, or assisting in identifying, incorrect payments of a relevant benefit.”

Member's explanatory statement

This amendment would align the safeguards that apply for the use of the eligibility verification powers with the safeguards that exist in other sections of the Bill, such as the power to require information about suspected fraud.

LORD DAVIES OF BRIXTON
BARONESS BENNETT OF MANOR CASTLE

80 Schedule 3, page 77, leave out lines 21 to 26 and insert “which belong to a person who the authorised officer has reasonable grounds to suspect has committed, is committing or intends to commit a DWP offence.”

Member's explanatory statement

This amendment would limit the exercise of an eligibility verification notice to cases where the welfare recipient is suspected of wrongdoing.

LORD VAUX OF HARROWDEN

81 Schedule 3, page 78, line 19, at end insert—

“(9) Before giving a person an eligibility verification notice, the Secretary of State must be satisfied that the costs that will be incurred by the person in responding to the eligibility verification notice will be proportionate and reasonable for that person to incur, or the Secretary of State must agree in advance to repay all or some of the costs to the person.”

Member's explanatory statement

This amendment is intended to probe how the Secretary of State will ensure that they do not impose undue costs on the banks and to what extent the banks will be able to recoup these costs.

BARONESS FOX OF BUCKLEY

82 Schedule 3, page 79, line 22, at end insert —

“(4) The Secretary of State must publish the eligibility indicators.”

Member's explanatory statement

This amendment requires the Secretary of State to make public the eligibility indicators against which the banks are required to check their customers' accounts.

LORD DAVIES OF BRIXTON

83 Schedule 3, page 80, line 17, at end insert —

“(10A) An eligibility verification notice may not require a person to provide data if that person reasonably considers that in doing so it would conflict with the reasonable duty of care that they should exercise towards their customer.”

Member's explanatory statement

This amendment would require financial services providers, when asked to provide data to the DWP under these provisions, not to provide that data if this conflicts with their duty of care towards their customers.

LORD VAUX OF HARROWDEN

84 Schedule 3, page 80, line 26, at end insert —

“Reasonable grounds for suspicion

5A The existence of an eligibility indicator alone does not constitute reasonable grounds for suspicion for the purpose of section 109BZB (1)(a) of the Social Security Administration Act 1992.”

Member's explanatory statement

This amendment would ensure that an authorised person would need more evidence than the existence of an eligibility indicator alone before exercising more intrusive investigations.

LORD VAUX OF HARROWDEN

85 Schedule 3, page 80, line 26, at end insert —

“Appropriate review of EVM information

5A Before taking any action to amend or suspend any benefit payments, or exercising the powers in Clause 109BZB of the Social Security Administration

Act 1992, the EVM information must first have been reviewed by a person with appropriate seniority and experience authorised by the Secretary of State.”

Member's explanatory statement

This amendment would require information received following an eligibility verification notice to be reviewed by an appropriately senior person before a person's benefits can be amended or intrusive investigations commenced.

BARONESS SHERLOCK

86 Schedule 3, page 85, line 27, leave out from “(1)” to end of line 33 and insert “may not be brought after the end of—

- (a) the period of 14 days beginning with—
 - (i) the day on which the eligibility verification notice was given, or
 - (ii) if the person seeks a review of the notice under paragraph 13, the day on which the person is notified of the outcome of the review, or
- (b) such longer period (if any) as the Tribunal considers reasonable in all the circumstances.”

Member's explanatory statement

This amendment means that the tribunal can extend the time limit for appealing against an eligibility verification notice.

BARONESS SHERLOCK

87 Schedule 3, page 86, line 13, at end insert “, or

- (b) such longer period (if any) as the Tribunal considers reasonable in all the circumstances.”

Member's explanatory statement

This amendment means that the tribunal can extend the time limit for appealing against a penalty imposed for a failure to comply with an eligibility verification notice.

BARONESS FOX OF BUCKLEY

88 Schedule 3, page 87, line 17, at end insert—

- “(f) the mechanisms allowing for scrutiny of algorithms used by a person in receipt of an eligibility verification notice;
- (g) the measures used for allowing scrutiny of the effectiveness of the powers conferred under this Schedule.”

Member's explanatory statement

This amendment requires the code of practice to include scrutiny provisions about the algorithms used by banks and the effectiveness of the eligibility verification measure.

LORD PALMER OF CHILDS HILL

89 Schedule 3, page 88, leave out lines 9 to 13

Member's explanatory statement

This amendment ensures that the Bill can only be used in relation to benefits listed in the Bill.

LORD VAUX OF HARROWDEN

89ZA★ Schedule 3, page 88, line 13, at end insert—

- “(4) All applicants for a relevant benefit must be informed in writing at the time of application of the possibility that information relating to any relevant accounts that they hold may be provided to the Secretary of State in accordance with this Schedule.
- (5) All existing recipients of relevant benefits must be informed in writing within three months of the commencement of the Public Authorities (Fraud, Error and Recovery) Act 2025 of the possibility that information relating to any relevant accounts that they hold may be provided to the Secretary of State in accordance with this Schedule.”

Member's explanatory statement

This amendment would ensure that applicants and recipients of relevant benefits are informed that information relating to their bank accounts may be provided to the Secretary of State.

LORD SIKKA

89A Schedule 3, page 88, line 23, leave out “by one or more individuals” and insert “solely by the recipient of one of the benefits referred in paragraph 19(1)”

LORD SIKKA

89B Schedule 3, page 88, line 39, leave out from “account” to “and” in line 40 and insert “in their name”

LORD VAUX OF HARROWDEN

89C★ Schedule 3, page 91, line 10, leave out lines 10 to 19 and insert—

- “(7E) The first condition in subsection (2) is not satisfied solely as a result of information that was obtained by, or provided to, the person by virtue of an eligibility verification notice under paragraph 1(1) of Schedule 3B to the Social Security Administration Act 1992.”

Member's explanatory statement

This amendment is designed to remove the risk that the existence of an eligibility indicator could by itself cause a bank to have to take action against the relevant account holder under the Proceeds of Crime Act.

BARONESS KRAMER

Baroness Kramer gives notice of her intention to oppose the Question that Schedule 3 be the Third Schedule to the Bill.

Member's explanatory statement

This notice is related to another in the name of Baroness Kramer and removes the requirement for banks to look into relevant claimants' bank accounts.

Clause 75

LORD SIKKA

- 90 Clause 75, page 43, line 22, leave out “person” and insert “panel, at least 50% of which is made up of persons elected by recipients of the benefits in question,”

Member's explanatory statement

This amendment seeks to clarify whether the Government will take account of the views of recipients of the benefits in question in any independent review of eligibility verification measures.

LORD VAUX OF HARROWDEN

- 91 Clause 75, page 44, line 11, at end insert —
- “(d) the exercise of the Secretary of State’s powers under Schedule 3B has been proportionate to the costs incurred both by the Secretary of State and by persons required to respond to eligibility verification notices.”

Member's explanatory statement

This amendment would widen the scope of the independent review of the use of the eligibility verification powers to ensure that the costs incurred both by the Department and by the banks and other institutions in complying with notices are proportionate to the results.

LORD VAUX OF HARROWDEN

- 91A Clause 75, page 44, line 11, at end insert —
- “(d) the exercise of the Secretary of State's powers under Schedule 3B has had an impact on vulnerable persons.”

Member's explanatory statement

This amendment would ensure that the independent review looks into the impact of the eligibility verification on vulnerable persons.

LORD VAUX OF HARROWDEN

91B Clause 75, page 44, leave out lines 15 to 18 and insert—

- “(1) The independent person appointed under section 121DC(1) may require, and the Secretary of State must disclose to the independent person or to a person acting on behalf of the independent person, any information that the independent person considers necessary for the purpose of carrying out the reviews under section 121DC.”

Member's explanatory statement

This amendment introduces a requirement for the Secretary of State to disclose all information reasonably requested by the independent reviewer, rather than it being at the discretion of the Secretary of State as to what may be disclosed.

Clause 76

LORD SIKKA

92 Clause 76, page 45, line 7, at end insert—

- “(2A) The functions are exercisable only when accompanied by an authorised person from the police force.”

Member's explanatory statement

This amendment seeks to restrict investigators' powers of entry, search and seizure to situations when they are accompanied by an authorised person from the police force.

LORD SIKKA

93 Clause 76, page 45, line 30, after “State” insert “and authorised by the court”

Member's explanatory statement

This amendment seeks to curb powers of the Secretary of State to appoint authorised investigators through requiring court authorisation.

Schedule 4

BARONESS SHERLOCK

94 Schedule 4, page 95, line 8, leave out “items subject to legal privilege,”

Member's explanatory statement

See the explanatory statement for my amendment to Schedule 4, page 101, line 15.

BARONESS SHERLOCK

95 Schedule 4, page 96, line 18, leave out “an item subject to legal privilege,”

Member's explanatory statement

See the explanatory statement for my amendment to Schedule 4, page 101, line 15.

BARONESS SHERLOCK

- 96 Schedule 4, page 101, line 15, leave out from beginning to end of line 24 and insert —
“Material subject to legal privilege

- 10 Nothing in this Schedule confers power to —
(a) require any person to provide information, or
(b) seize, remove, take a copy of or otherwise record anything,
in respect of which a claim to confidentiality of communications could be
maintained in legal proceedings.”

Member's explanatory statement

This amendment, together with my other amendments to Schedule 4, simplifies the drafting of new Schedule 3ZD to the Social Security Administration Act 1992 by creating a single prohibition on the seizure etc of information subject to legal privilege.

BARONESS SHERLOCK

- 97 Schedule 4, page 103, line 4, leave out “items subject to legal privilege and”

Member's explanatory statement

See the explanatory statement for my amendment to Schedule 4, page 101, line 15.

Clause 85

BARONESS SHERLOCK

- 98 Clause 85, page 51, line 27, leave out “, payment, credit”

Member's explanatory statement

This amendment and my other amendment to clause 85 remove unnecessary references to a payment or credit, both of which are within the relevant definition of “benefit” already as a result of section 121DA(5) of the Social Security Administration Act 1992.

BARONESS SHERLOCK

- 99 Clause 85, page 51, line 30, leave out “, payment, credit”

Member's explanatory statement

See the explanatory statement for my other amendment to clause 85.

Clause 89

BARONESS SHERLOCK

100 Clause 89, page 56, leave out lines 6 and 7 and insert —

- “(i) the period mentioned in section 71ZK(6)(a) for P to appeal against the outcome of the review has passed without P bringing an appeal, or”

Member's explanatory statement

This amendment is consequential on my amendment to clause 89, page 56, line 31.

BARONESS SHERLOCK

101 Clause 89, page 56, line 31, leave out from “(5)” to end of line 33 and insert “may not be brought after the end of —

- (a) the period of one month beginning with the day after the day on which P is notified of the outcome of the review, or
(b) such longer period (if any) as the Tribunal considers reasonable in all the circumstances.”

Member's explanatory statement

This amendment means that the tribunal can extend the time limit for bringing an appeal in relation to an overpayment notice.

Schedule 5BARONESS FOX OF BUCKLEY
LORD PALMER OF CHILDS HILL

102 Schedule 5, page 104, line 19, leave out “make” and insert “apply to the appropriate court for”

Member's explanatory statement

This amendment removes the power of the Secretary of State to make direct deduction orders and instead provides for direct deduction orders to be made only by a court following an application by the Secretary of State to the court.

BARONESS KRAMER
BARONESS BENNETT OF MANOR CASTLE

103 Schedule 5, page 105, line 18, leave out from beginning to end of line 33 on page 106.

Member's explanatory statement

This will prevent the DWP from being able to compel banks to disclose the bank statements of benefits recipients to decide whether to issue a direct deduction powers.

BARONESS SHERLOCK

104 [Withdrawn]

BARONESS SHERLOCK

105 [Withdrawn]

BARONESS SHERLOCK

106 Schedule 5, page 107, line 12, at end insert “the bank where the account in question is held,”

Member's explanatory statement

This amendment, together with my amendments to Schedule 5, page 108, line 1 and Schedule 5, page 108, line 5, requires a notice under paragraph 5(1) of new Schedule 3ZA to be given to the bank in question.

BARONESS SHERLOCK

107 Schedule 5, page 108, line 1, leave out “, including before it is given to the” and insert “before it is given to the other”

Member's explanatory statement

See the explanatory statement for my amendment to Schedule 5, page 107, line 12.

BARONESS SHERLOCK

108 Schedule 5, page 108, line 5, leave out “before it is given to the persons to whom it is required to be given,”

Member's explanatory statement

See the explanatory statement for my amendment to Schedule 5, page 107, line 12.

LORD PALMER OF CHILDS HILL

109 Schedule 5, page 108, line 12, at end insert—

“5A (1) Before any direct deduction order under this Schedule is made, the Secretary of State has a duty to consider its effect on any person who—

- (a) is a victim of domestic abuse, or
- (b) the Secretary of State reasonably believes to be at risk of domestic abuse.

(2) For the purposes of this paragraph, “domestic abuse” has the meaning given by section 1 of the Domestic Abuse Act 2021.”

LORD DAVIES OF BRIXTON

- 109A★** Schedule 5, page 108, line 14, at end insert "following an affordability assessment in relation to the liable person and"

Member's explanatory statement

This amendment requires the Secretary of State to undertake an affordability assessment before making a direct deduction order.

LORD DAVIES OF BRIXTON

- 109B★** Schedule 5, page 108, line 25, at end insert—

“(2A) The amount of the direct deduction order must not reduce the amounts held in the bank account or bank accounts of the liable person to less than £1,000.”

Member's explanatory statement

This amendment sets a safeguarded amount of £1,000 that must be left in one or more of the liable person's bank accounts.

BARONESS SHERLOCK

- 110** Schedule 5, page 108, line 39, leave out “, or a method for calculating the amounts,”

Member's explanatory statement

This amendment means that a regular direct deduction order given by the Secretary of State must specify the amounts to be deducted.

BARONESS SHERLOCK

- 111** Schedule 5, page 109, line 5, leave out “, or different methods for calculating the amounts,”

Member's explanatory statement

This amendment is consequential on my amendment to Schedule 5, page 108, line 39.

BARONESS SHERLOCK

- 112** Schedule 5, page 109, line 8, leave out “, or method for calculating the amount,”

Member's explanatory statement

This amendment means that a lump sum direct deduction order given by the Secretary of State must specify the amount to be deducted.

BARONESS SHERLOCK

- 113** Schedule 5, page 110, line 19, leave out “first notice” and insert “pre-deduction notice”

Member's explanatory statement

This amendment, together with my amendments to Schedule 5, page 111, line 7, and Schedule 5, page 111, line 15, would replace the tag “first notice” with “pre-deduction notice”. This has no substantive effect but is intended to be easier to understand.

BARONESS SHERLOCK

- 114** Schedule 5, page 111, line 7, leave out “first notice” and insert “pre-deduction notice”

Member's explanatory statement

See the explanatory statement for my amendment to Schedule 5, page 110, line 19.

BARONESS SHERLOCK

- 115** Schedule 5, page 111, line 14, leave out “, or calculated in accordance with,”

Member's explanatory statement

This amendment is consequential on my amendments to Schedule 5, page 108, line 39 and Schedule 5, page 109, line 8.

BARONESS SHERLOCK

- 116** Schedule 5, page 111, line 15, leave out “first notice” and insert “pre-deduction notice”

Member's explanatory statement

See the explanatory statement for my amendment to Schedule 5, page 110, line 19.

BARONESS SHERLOCK

- 117** Schedule 5, page 112, leave out lines 14 and 15

Member's explanatory statement

This amendment removes a provision that is redundant (because paragraph 7(5) applies in relation to every direct deduction order).

BARONESS SHERLOCK

- 118** Schedule 5, page 113, line 8, leave out “(6), (7)” and insert “(6) to (8)”

Member's explanatory statement

This amendment ensures that a bank must comply with a further information notice.

BARONESS SHERLOCK

119 Schedule 5, page 114, line 31, leave out from “(1)” to end of line 37 and insert “may not be brought after the end of—

- (a) the period of one month beginning with the day after the day on which the appellant was—
 - (i) given a copy of the direct deduction order, or the varied direct deduction order, in a case within sub-paragraph (1)(a) or (b), or
 - (ii) notified under paragraph 12(3) or, where a review was sought, paragraph 18(6), in a case within sub-paragraph (1)(c), or
- (b) such longer period (if any) as the Tribunal considers reasonable in all the circumstances.”

Member's explanatory statement

This amendment means that the Tribunal can extend the time limit for bringing an appeal in relation to a direct deduction order of the Secretary of State.

BARONESS SHERLOCK

120 Schedule 5, page 116, line 8, at end insert “, or

- (b) such longer period (if any) as the Tribunal considers reasonable in all the circumstances.”

Member's explanatory statement

This amendment means that the Tribunal can extend the time limit for appealing against a penalty under Part 2 of Schedule 5.

BARONESS SHERLOCK

121 Schedule 5, page 116, line 15, at end insert—

“Deputies

- 22A(1) This paragraph applies where a person (a “deputy”) acts on behalf of an account holder (including a liable person) in relation to their account by virtue of—
 - (a) a power of attorney, or
 - (b) an appointment by, or an order of, a court.
- (2) The following provisions apply in relation to the deputy of the account holder as they apply in relation to the account holder—
 - (a) paragraph 1(7);
 - (b) paragraph 3(5)(b) and (c);
 - (c) paragraph 3(9);
 - (d) paragraph 3(9A);
 - (e) paragraph 5;
 - (f) paragraph 11(1);

- (g) paragraph 12;
 - (h) paragraph 13(3), (6) and (8)(b);
 - (i) paragraph 14(3);
 - (j) paragraph 15(3);
 - (k) paragraph 16(2);
 - (l) paragraph 18;
 - (m) paragraph 19.
- (3) Paragraph 13(7)(a) and (b) applies in relation to the deputy of the account holder instead of the account holder.”

Member's explanatory statement

This new paragraph ensures that new Schedule 3ZA to Social Security Administration Act 1992 operates effectively where a person acts on behalf of an account holder by virtue of a power of attorney or an appointment by, or an order of, a court.

BARONESS FOX OF BUCKLEY
LORD PALMER OF CHILDS HILL

122 Schedule 5, page 116, line 17, at the end insert —

““appropriate court” means —

- (a) in England and Wales, the county court;
- (b) in Scotland, the sheriff;”

Member's explanatory statement

This amendment is consequential on the amendment in the name of Baroness Fox of Buckley to Clause 17, page 10, line 19.

Clause 92

LORD DAVIES OF BRIXTON
LORD SIKKA
BARONESS BENNETT OF MANOR CASTLE

The above-named Lords give notice of their intention to oppose the Question that Clause 92 stand part of the Bill.

Member's explanatory statement

This together with the associated amendment to Schedule 6 removes the provisions which provide for disqualification from driving.

Schedule 6

LORD DAVIES OF BRIXTON

Lord Davies of Brixton gives notice of his intention to oppose the Question that Schedule 6 be the Sixth Schedule to the Bill.

Member's explanatory statement

This together with the associated amendment to Clause 92 removes the provisions which provide for disqualification from driving.

After Clause 96

BARONESS LISTER OF BURTERSETT
BARONESS BENNETT OF MANOR CASTLE
THE LORD BISHOP OF LEICESTER

123

After Clause 96, insert the following new Clause —

“Overpayments made as a result of official error

- (1) Section 71ZB of the Social Security Administration Act 1992 (recovery of benefit payments) is amended as follows.
- (2) In subsection (1), for “The” substitute “Subject to subsection (1A), the”.
- (3) After subsection (1) insert —
 - “(1A) The amount referred to in subsection (1) must not include any overpayment that arose in consequence of an official error where the claimant or a person acting on the claimant’s behalf or any other person to whom the payment is made could not, at the time of receipt of the payment or of any notice relating to that payment, reasonably have been expected to realise that it was an overpayment.”

Member's explanatory statement

This new Clause would bring the test for recovery of Universal Credit overpayments caused by official error into line with Regulation 100(2) of the Housing Benefit Regulations 2006 by providing that they can only be recovered where the claimant could reasonably have been expected to realise that there was an overpayment.

LORD PALMER OF CHILDS HILL

124

After Clause 96, insert the following new Clause —

“Recovery of overpayments of Carer’s Allowance

The Secretary of State may not exercise any of the powers of recovery under this Act in relation to a person who has received an overpayment of Carer’s Allowance until such time as —

- (a) the Secretary of State has commissioned an independent review of the overpayment of Carer's Allowance;
- (b) the review has concluded its inquiry and submitted a report containing recommendations to the Secretary of State;
- (c) the Secretary of State has laid the report of the independent review before Parliament;

- (d) the Secretary of State has implemented the recommendations of the independent review.”

Member's explanatory statement

This new clause would delay any payments being taken from people who the Government may think owe repayments on Carer's Allowance until the independent review into Carer's Allowance overpayments has been published and fully implemented.

BARONESS BENNETT OF MANOR CASTLE

124A★ After Clause 96, insert the following new Clause –

“Fair process and human intervention

When any automated system has been involved in decision making which will affect a recipient's eligibility for social security or payment, no action shall be taken based on the decision unless –

- (a) the involvement of any automated system have been subject to meaningful human involvement;
- (b) the recipient has been provided with an individual explanation of the relevant decision in their case, including a clear explanation of how an automated system has impacted the decision;
- (c) the recipient has had the opportunity to make representations;
- (d) the recipient is been given information about how they can challenge the decision.”

Member's explanatory statement

This amendment secures fair administrative processes and meaningful human oversight for benefits recipients when they are subject to decision-making processes which include automated systems.

Clause 98

BARONESS SHERLOCK

125 Clause 98, page 63, leave out lines 23 to 25 and insert –

- “(i) the period mentioned in section 71ZK(6)(a) for P to appeal against the outcome of the review has passed without P bringing an appeal, or”

Member's explanatory statement

This amendment is consequential on my amendment to clause 89, page 56, line 31.

After Clause 100

LORD PALMER OF CHILDS HILL

126 After Clause 100, insert the following new Clause –

“Impact of Act on people facing financial exclusion

- (1) The independent person appointed under section 64(1) of this Act (independent review) must carry out an assessment of the impact of this Act on the number of people facing financial exclusion.
- (2) The independent person must, 12 months after the passing of the Act –
 - (a) prepare a report on the review, and
 - (b) submit the report to the Minister.
- (3) On receiving a report the Minister must –
 - (a) publish it, and
 - (b) lay a copy before Parliament.”

Member's explanatory statement

This new Clause would look into the impact of the Act on people facing financial exclusion.

Clause 105

LORD PALMER OF CHILDS HILL

127 Clause 105, page 66, line 26, leave out subsections (1) to (3) and insert –

- “(1) This section and section (*Recovery of overpayments of Carer's Allowance*) come into force on the day on which this Act is passed.
- (2) All other sections of this Act come into force on such day as the Secretary of State or the Minister for the Cabinet Office may by regulations appoint, but they must not come into force until the recommendations of a report commissioned under section (*Recovery of overpayments of Carer's Allowance*) have been implemented.”

Member's explanatory statement

This amendment which would delay the implementation of the whole Act until the findings of the independent review into Carer's Allowance overpayments has been published and fully implemented.

Public Authorities (Fraud, Error and Recovery) Bill

SECOND MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

5 June 2025

PUBLISHED BY AUTHORITY OF THE HOUSE OF LORDS