

Public Authorities (Fraud, Error and Recovery) Bill

THIRD 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 35

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

60A Clause 35, page 21, line 6, leave out subsection (5).

Member's explanatory statement

This would permit the applicant to request a review into the existence/value of the payable amount.

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 37

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

61A Clause 37, page 22, line 29, at end insert –

“(2A) Any regulations made under subsections (1) and (2) must be accompanied by an impact assessment covering the projected cost and impact on the operational capacity of banks, to be laid before Parliament.”

Member's explanatory statement

This amendment would ensure that any changes made to the means through which direct deduction orders are processed and applied would be accompanied by an impact assessment, showing the projected cost and impact on the operational capacity of banks.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

61B Clause 37, page 23, line 6, at end insert –

“(6A) Prior to any regulations under this section coming into force, the outcome of consultations under subsection (6) must be laid before Parliament.”

Member's explanatory statement

This amendment would ensure that the outcome of the consultations provided for in subsection (6) were laid before Parliament, prior to the implementation of the consulted-upon changes.

Clause 40

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

61C Clause 40, page 24, line 27, at end insert –

“(4A) The decision reached by the Minister under subsection (4) must be communicated to the liable person, with the reason given by the Minister provided in writing, as soon as is practicable.”

Member's explanatory statement

This would ensure that the liable person is provided with the outcome of the review of their representations by the Minister in writing.

Clause 41

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

61D Clause 41, page 25, line 1, at end insert –

“(1A) The Minister must provide, in writing, the outcome of their assessment under subsection (1) to the liable person upon request.”

Member's explanatory statement

This amendment would ensure that the Minister has a duty to demonstrate their regard for wider circumstances in writing to the liable person if requested.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

61E Clause 41, page 25, line 20, leave out “, among other things,”

Member's explanatory statement

This amendment would limit the scope of these regulations to what is set out in the text of the subsection.

Clause 42

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 61F** Clause 42, page 25, line 39, at end insert “, following consultation with groups whom the Minister considers to be representative of affected employers.”

Member's explanatory statement

This amendment would ensure that the costs regarded by the Minister as ‘reasonably incurred’ by employers was determined in conference with those employers.

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.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 62A** Clause 43, page 26, line 4, leave out “at any time”

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 62B** Clause 43, page 26, line 7, at end insert—

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

Member's explanatory statement

These amendments 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 47

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

62C Clause 47, page 27, line 16, at end insert –

“(4) If the revocation of an earnings deduction order is undertaken, the reason for this must be set out to both the liable person, and the liable person’s employer, in writing.”

Member's explanatory statement

This amendment would ensure that the reason for a revocation to a deduction order was set out in writing for the benefit of the liable person and their employer.

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 50

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

63A Clause 50, page 29, line 5, at end insert –

“(2) “Help” is defined in this section as the provision of any information, advice or support which could reasonably be assumed to be intended to acquire payments which are, or, if the payment was not made, would have been, a recoverable amount, or with the result that a public authority is entitled to claim any other recoverable amount.”

Member's explanatory statement

This amendment would ensure that those seeking to aid fraud through the provision of any information, advice or support could be subject to a penalty.

Clause 52

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

63B Clause 52, page 29, line 33, leave out “Minister” and insert “the first tier tribunal”

Member's explanatory statement

This amendment would ensure that the penalty imposed on a person who did not receive a payment could not be unilaterally determined by the Minister.

Clause 58

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

63C Clause 58, page 32, line 9, leave out “(c)”

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

63D Clause 58, page 32, line 10, at end insert “including an explanation as to how the conclusion was reached.”

Member's explanatory statement

These amendments would ensure that the person was given a reason in writing for any decision following a review.

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.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

64A Clause 60, page 33, line 7, leave out subsection (6) and insert –

“(6) Further provision about appeals against a penalty notice may only be made by the Minister following an independent review, and approval from a Parliamentary Committee of any recommendations.”

Member's explanatory statement

This amendment would remove the power of the Minister to make changes to the appeals process through regulations alone, and would instead only allow this following an independent review with the approval and oversight of a parliamentary committee.

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.

Clause 66

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

68A Clause 66, page 35, line 9, at end insert –

- “(A1) Investigatory and enforcement powers under sections 3 (information notices), 7 (entry, search and seizure powers), 17 (direct deduction orders), and 38 (deduction from earnings orders) of this Act shall not be exercised except as provided for in this section.”

Member's explanatory statement

This amendment, together with others to this Clause in the name of Baroness Finn, would ensure greater ministerial and parliamentary oversight when the powers provided for in this Bill are exercised by authorised officers on behalf of the Minister for the Cabinet Office.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

68B Clause 66, page 35, line 21, at end insert –

- “(1A) The exercise of the following powers by an authorised officer requires explicit authorisation by a Minister of the Crown –

- (a) issuing information notices under section 3 requiring disclosure of personal financial records;
 - (b) applications for warrants under section 7 involving entry to premises and seizure of evidence;
 - (c) orders under sections 17 and 38 where the amount involved exceeds £10,000.
- (1B) All other investigatory and enforcement powers under this Act must be authorised by an official at Senior Civil Service grade or above.
- (1C) The Public Sector Fraud Authority must maintain a register recording –
- (a) the nature and date of each exercise of these powers;
 - (b) the name and position of the official or Minister authorising the exercise;
 - (c) the justification provided for exercising the powers.
- (1D) The Minister must lay before Parliament a copy of this register annually within three months of the conclusion of the financial year to which it relates.”

Member's explanatory statement

This amendment, together with others to this Clause in the name of Baroness Finn, would ensure greater ministerial and parliamentary oversight when the powers provided for in this Bill are exercised by authorised officers on behalf of the Minister for the Cabinet Office.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

68C Clause 66, page 35, line 31, at end insert –

- “(5) An individual may only be an authorised officer if the individual holds a counter-fraud qualification including but not limited to –
- (a) the Professionalism in Security (PINS) Fraud Investigation Award;
 - (b) the Accredited Counter Fraud Specialist (ACFS) qualification;
 - (c) any other counter-fraud qualification formally approved or recognised by the DWP for the purposes of professional fraud investigation.
- (6) The Minister may by regulations –
- (a) update the list of recognised qualifications for the purposes of subsection (5),
 - (b) define or clarify the standards and accrediting bodies associated with such qualifications, and
 - (c) specify any transitional arrangements for investigators undergoing qualification at the time of designation.
- (7) Regulations under subsection (6) are subject to the negative procedure.”

Member's explanatory statement

This amendment would ensure that investigators exercising these powers held professional qualifications in line with officers at the DWP's Fraud Investigation Service.

After Clause 68

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

68D After Clause 68, insert the following new Clause –

“Fraud risk management duties for public authorities

- (1) This section applies to public authorities responsible for spending schemes or programmes involving total annual payments or disbursements exceeding £100 million (“relevant spending schemes or programmes”).
- (2) A public authority to which this section applies shall –
 - (a) register each relevant spending scheme or programme with the Minister for the Cabinet Office via the Public Sector Fraud Authority before the start of each financial year;
 - (b) conduct and submit to the Authority a fraud risk assessment for each registered scheme, detailing identified fraud risks and planned mitigations;
 - (c) prepare an annual fraud measurement plan specifying the methods by which fraud rates will be determined, including representative sampling or comparable statistically valid methods, to ensure robust estimation of fraud and error rates.
- (3) The Authority shall –
 - (a) independently verify each public authority’s reported fraud rates annually, employing rigorous audit, sampling, or comparable statistically robust methods;
 - (b) publish annually, in a dedicated report laid before Parliament –
 - (i) the fraud rates reported by each public authority;
 - (ii) the independently verified fraud rates determined by the Authority;
 - (iii) an assessment of the accuracy and effectiveness of each public authority’s fraud risk management measures.
- (4) Each public authority shall publish in its annual accounts –
 - (a) its submitted fraud risk assessment;
 - (b) the fraud rates as determined independently by the Authority;
 - (c) an evaluation rating (Red-Amber-Green) assigned by the Authority reflecting the public authority’s compliance with and effectiveness of its fraud risk management duties.
- (5) The evaluation rating assigned by the Authority under subsection (4)(c) shall assess –
 - (a) adequacy and accuracy of fraud rate measurement methodologies;
 - (b) effectiveness of implemented fraud risk mitigations;
 - (c) compliance with statutory duties set out in this section.
- (6) Where the Authority finds significant discrepancies between reported fraud rates and independently verified fraud rates, or otherwise finds significant inadequacies

in the public authority's fraud management practices, it shall issue a notice requiring the public authority to—

- (a) submit within 30 days a detailed action plan specifying corrective measures;
 - (b) implement corrective measures as directed by the Authority within a timeframe specified in the notice.
- (7) Compliance by public authorities with their obligations under this section shall be subject to audit by the Comptroller and Auditor General, and the findings shall form part of their reports to Parliament.”

Member's explanatory statement

This new Clause seeks to impose stricter fraud risk management duties on public authorities that oversee spending schemes exceeding £100 million annually, by requiring these authorities to register schemes, conduct fraud risk assessments, measure fraud using robust methods, and publish findings. The Public Sector Fraud Authority would verify reported fraud rates, publish comparisons, assign performance ratings, and enforce corrective actions for poor performance. Compliance would be subject to independent audit and parliamentary scrutiny.

Schedule 2

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

68E Schedule 2, page 70, line 28, leave out first “a” and insert “an independent”

Member's explanatory statement

This amendment seeks to probe the Government's openness to specifying that the chair of the Public Sector Fraud Authority should be independent.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

68F Schedule 2, page 70, line 29, after “other” insert “independent”

Member's explanatory statement

This amendment seeks to probe the Government's openness to specifying that the non-executive members of the Public Sector Fraud Authority should be independent.

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.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

69A Schedule 2, page 71, line 6, leave out “chair” and insert “Minister”

Member's explanatory statement

This amendment seeks to probe the process by which the chief executive and other executive members of the Public Sector Fraud Authority will be appointed.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

69B Schedule 2, page 71, line 6, leave out “chair is” and insert “independent chair and other independent non-executive members are”

Member's explanatory statement

This amendment seeks to probe the process by which the chief executive and other executive members of the Public Sector Fraud Authority will be appointed.

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.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

71A Schedule 2, page 71, leave out lines 19 to 24

Member's explanatory statement

This amendment would remove the minister’s power to make regulations on the eligibility of individuals to be members of the Public Sector Fraud Authority.

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.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 74A Schedule 2, page 73, line 22, leave out “As soon as reasonably practicable” and insert “Within 3 months”

Member's explanatory statement

This amendment would require the Public Sector Fraud Authority to publish their annual report within 3 months of the end of the financial year.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

- 74B Schedule 2, page 73, line 35, leave out sub-sub-paragraph (b)

Member's explanatory statement

This amendment would prevent the Public Sector Fraud Authority from authorising a person who is not a member of the Authority to authenticate the seal of the Authority.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

74C Schedule 2, page 76, line 7, leave out “transferred” and insert “extended”

Member's explanatory statement

This amendment and others in the name of Baroness Finn would ensure the Minister retains responsibility for the exercise of his or her functions conferred by Chapters 1 to 5 of Part 1 of this Act after they have been extended to the Public Sector Fraud Authority.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

74D Schedule 2, page 76, line 8, leave out “transferred” and insert “extended”

Member's explanatory statement

This amendment and others in the name of Baroness Finn would ensure the Minister retains responsibility for the exercise of his or her functions conferred by Chapters 1 to 5 of Part 1 of this Act after they have been extended to the Public Sector Fraud Authority.

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
 BARONESS FOX OF BUCKLEY
 BARONESS KRAMER

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
BARONESS FOX OF BUCKLEY
BARONESS KRAMER

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
BARONESS KRAMER

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
BARONESS KRAMER

- 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
BARONESS KRAMER

- 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.

BARONESS FINN
VISCOUNT YOUNGER OF LECKIE

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

- “(1) This section and section 62 (code of practice) 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 Minister has issued a code of practice under section 62.”

Public Authorities (Fraud, Error and Recovery) Bill

THIRD MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

10 June 2025

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