

# Public Authorities (Fraud, Error and Recovery) Bill

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## MARSHALLED LIST OF MOTIONS AND AMENDMENTS

### TO BE MOVED ON CONSIDERATION OF COMMONS REASONS AND AMENDMENTS

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*[The page and line references are to HL Bill 96, the Bill as first printed for the Lords]*

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## MOTION A

### LORDS AMENDMENT 1

#### Clause 2

- 1** Clause 2, page 2, leave out line 10 and insert—  
“whether at the request of that public authority or, where the Minister considers it necessary in the public interest, on the Minister’s own initiative.”

### COMMONS DISAGREEMENT AND AMENDMENTS IN LIEU

*The Commons disagree with Lords Amendment 1 but propose Amendments 1A and 1B to the Bill in lieu —*

- 1A** Clause 2, page 2, line 6, leave out subsection (1) and insert—  
“(1) The Minister may—  
(a) investigate or take enforcement action in respect of suspected fraud against another public authority, or  
(b) recover money on behalf of another public authority,  
only at the request of that public authority or if the Minister considers that it is necessary in the public interest to do so.”
- 1B** Clause 2, page 2, line 11, leave out “at the request of” and insert “on behalf of, or in relation to”
- A** **Baroness Sherlock to move, That this House do not insist on its Amendment 1 and do agree with the Commons in their Amendments 1A and 1B in lieu.**

## MOTION B

### LORDS AMENDMENTS 30 AND 31

#### Clause 66

30 Clause 66, page 35, line 9, at end insert —

“(A1) Investigatory and enforcement powers under sections 3 (information notices), 7 (Police and Criminal Evidence Act 1984 etc 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.”

31 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 issuing information notices under section 3 requiring disclosure of personal financial records; applications for warrants under section 7 involving entry to premises and seizure of evidence; 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.”

#### COMMONS DISAGREEMENT AND AMENDMENTS IN LIEU

*The Commons disagree with Lords Amendments 30 and 31 but propose Amendments 31A, 31B, and 31C to the Bill in lieu —*

31A After Clause 66, insert the following new Clause —

#### **“Guidance on exercise of investigatory functions**

(1) The Minister must publish guidance about how the Minister will exercise the Minister’s function in section 1(1)(a) (investigating suspected fraud against public authorities).

(2) The guidance must include guidance about —  
(a) how authorised investigators and authorised officers are to be appointed,  
(b) the training which individuals must undertake before being appointed as authorised investigators or authorised officers,

- (c) governance arrangements in relation to how authorised investigators and authorised officers are to exercise their functions for the purpose of the function in section 1(1)(a), and
  - (d) how the Minister will work with an independent reviewer appointed under section 64.
- (3) The Minister may revise or replace guidance published under this section.
- (4) The Minister must publish any revised or replacement guidance.
- (5) The Minister must lay a copy of guidance published under this section (including revised or replacement guidance) before Parliament.”

**31B** After Clause 66, insert the following new Clause –

**“Reports on exercise of functions**

- (1) As soon as reasonably practicable after the end of each financial year, the Minister must prepare a report stating how many times the powers in subsection (3) were exercised in that financial year.
- (2) The Minister must –
  - (a) publish each report, and
  - (b) lay a copy of each report before Parliament.
- (3) The powers are –
  - (a) the power to issue an information notice under section 3,
  - (b) the power to apply for or execute a warrant under section 8(1) of the Police and Criminal Evidence Act 1984 (“the 1984 Act”) that is conferred by virtue of section 7,
  - (c) the power to obtain access to material under section 9(1) of, and Schedule 1 to, the 1984 Act that is conferred by virtue of section 7,
  - (d) the powers under section 19 of the 1984 Act (general power of seizure etc) that are conferred by virtue of section 7,
  - (e) the power to apply for an order under section 8 (disposal of property),
  - (f) the power to give a recovery notice under section 11,
  - (g) the power to apply for a recovery order under section 16,
  - (h) the power to make a direct deduction order under section 17,
  - (i) the power to make a deduction from earnings order under section 38, and
  - (j) the power to impose a penalty under section 50.
- (4) “Financial year” means –
  - (a) the period beginning with the day on which Part 1 of the Public Authorities (Fraud, Error and Recovery) Act 2025 comes fully into force and ending with the following 31 March (which is the first financial year), and
  - (b) each subsequent period of 12 months beginning with 1 April.
- (5) Before acting under subsection (2) the Minister must exclude from the report any matter which the Minister thinks is likely to prejudice any –
  - (a) criminal investigation,

- (b) other investigation,
  - (c) criminal proceedings, or
  - (d) civil proceedings.
- (6) If the Minister –
- (a) excludes any matter from the report in reliance on subsection (5), and
  - (b) in a subsequent financial year thinks that the excluded matter is no longer likely to prejudice the investigation or proceedings concerned,
- the Minister must include the matter in the report that relates to that subsequent financial year.”

**31C** After Clause 66, insert the following new Clause –

**“Record of exercise of functions**

- (1) An authorised investigator or authorised officer must keep a written record of each exercise of a power in subsection (3) by that investigator or officer.
- (2) The record relating to a particular exercise of a power must state –
  - (a) the name of the authorised investigator or authorised officer,
  - (b) the power which was exercised,
  - (c) the date on which the power was exercised, and
  - (d) the reason the power was exercised.
- (3) The powers are –
  - (a) the power to issue an information notice under section 3,
  - (b) the power to apply for or execute a warrant under section 8(1) of the Police and Criminal Evidence Act 1984 (“the 1984 Act”) that is conferred by virtue of section 7,
  - (c) the power to obtain access to material under section 9(1) of, and Schedule 1 to, the 1984 Act that is conferred by virtue of section 7,
  - (d) the powers under section 19 of the 1984 Act (general power of seizure etc) that are conferred by virtue of section 7,
  - (e) the power to apply for an order under section 8 (disposal of property),
  - (f) the power to give a recovery notice under section 11,
  - (g) the power to apply for a recovery order under section 16,
  - (h) the power to make a direct deduction order under section 17,
  - (i) the power to make a deduction from earnings order under section 38, and
  - (j) the power to impose a penalty under section 50.”

**B**

**Baroness Sherlock to move, That this House do not insist on its Amendments 30 and 31 and do agree with the Commons in their Amendments 31A, 31B and 31C in lieu.**

## MOTION C

## LORDS AMENDMENT 43

## Clause 75

43 Clause 75, page 44, line 11, at end insert –

- “(d) the costs incurred by the Secretary of State and by those who have received eligibility verification notices have been reasonable and proportionate,  
(e) the exercise of the Secretary of State’s powers under Schedule 3B has had any adverse affect on vulnerable people or on the ability of benefit claimants to access banking services, and  
(f) the independent person has been provided such information as they consider necessary to carry out the review.”

## COMMONS REASON

*The Commons disagree to Lords Amendment 43 for the following Reason –*

43A *Because it is not appropriate to make further provision about reviews relating to eligibility verification measures.*

C **Baroness Sherlock to move, That this House do not insist on its Amendment 43, to which the Commons have disagreed for their Reason 43A.**

## MOTION D

## LORDS AMENDMENT 75

## Schedule 2

75 Schedule 2, page 70, line 18, at end insert –

## “PART A1

## POWERS TO ESTABLISH THE PSFA AND TRANSFER FUNCTIONS

*Main powers*

A1 (1) The Minister may by regulations –

- (a) provide that a body corporate called the Public Sector Fraud Authority (and referred to in this Schedule as “the PSFA”) is established;  
(b) provide for the transfer to the PSFA of all or any of the functions to which this paragraph applies.

- 10 (2) The Minister may by regulations provide for the transfer to a public authority  
other than the PSFA of all or any of the functions to which this paragraph  
applies.
- 15 (3) This paragraph applies to the functions initially conferred on the Minister by  
Chapters 1 to 5 of Part 1 of this Act (including functions conferred by an  
amendment of another enactment), except any function of making regulations  
or issuing a code of practice.
- (4) A function transferred under sub-paragraph (2) may subsequently be transferred  
to the PSFA under sub-paragraph (1)(b).
- 20 (5) But a function transferred to the PSFA under sub-paragraph (1)(b) may not  
subsequently be transferred to another public authority under sub-paragraph  
(2).

#### *Authorised officers*

- B1 (1) The reference in paragraph A1(3) to functions initially conferred on the Minister  
includes functions initially conferred on authorised officers.
- 25 (2) In relation to a function initially conferred on an authorised officer, references  
in this Part of this Schedule to the transfer of the function to another body are  
to be read as references to the transfer of the function to an authorised officer  
of that body.
- (3) Where—
- 30 (a) a function initially conferred on an authorised officer is transferred by  
regulations under paragraph A1, and
- (b) as a result of any provision of Chapters 1 to 5 of Part 1 of this Act, that  
function could be exercised only by an authorised officer of a particular  
rank, grade or description,
- 35 the regulations must provide for the function to be exercised by an authorised  
officer of the transferee of a corresponding grade, rank or description.

#### *Associated modifications*

- C1 (1) Where functions are transferred to the PSFA or another public authority under  
paragraph A1, the Minister may by regulations—
- 40 (a) make provision about the application, with any necessary modifications,  
of Part 1 of this Act in relation to the PSFA or other authority;
- (b) provide for the Minister to give the PSFA or other authority (or its  
authorised officers) general or specific directions about the exercise of  
the transferred functions.
- 45 (2) Where functions are transferred to or from a public authority, other than the  
Minister or the PSFA, under paragraph A1, the Minister may by regulations—
- (a) make any modifications that the Minister considers appropriate in  
connection with the transfer to the constitutional arrangements, funding  
arrangements or the functions of the authority;
- 50 (b) make provision in relation to the authority corresponding to that enabled  
by paragraph 15 (transfer schemes) in relation to—

- (i) the PSFA, where functions are being transferred to the authority, or
- (ii) a “relevant person”, where functions are being transferred from the authority.

- (3) In sub-paragraph (2)(a), “constitutional arrangements” includes the matters referred to in section 3(2) of the Public Bodies Act 2011.
- (4) Regulations under paragraph A1 or this paragraph may amend –
  - (a) Part 1 of this Act, except this Schedule, and
  - (b) any provision amended by Part 1 of this Act.

#### *Procedure*

- D1 Regulations under this Part of this Schedule are subject to the affirmative procedure.”

### COMMONS AGREEMENT AND AMENDMENT

*The Commons agree to Lords Amendment 75 but propose Amendment 75A as an Amendment to that Amendment –*

**75A** Line 36, at end insert –

“(4) In this paragraph, “authorised officer” includes “authorised investigator”.”

**D** **Baroness Sherlock to move, That this House do agree with the Commons in their Amendment 75A.**

## MOTION E

### LORDS AMENDMENT 84

#### **Schedule 3**

**84** Schedule 3, page 80, line 26, at end insert –

*“Reasonable suspicion and appropriate review of EVM information*

- 5A (1) 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.
- (2) 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.”

## COMMONS DISAGREEMENT AND AMENDMENTS IN LIEU

*The Commons disagree to Lords Amendment 84 but propose Amendments 84A and 84B to the Bill in lieu –*

**84A** Schedule 3, page 80, line 26, at end insert –

- “(2) Sub-paragraph (3) applies where –
- (a) an authorised officer is considering whether to give an information notice under section 109BZA in relation to a person, and
  - (b) the Secretary of State has been given EVM information that is relevant to the question whether to give the information notice.
- (3) The authorised officer must have regard to all information that the Secretary of State has that is relevant to the question whether to give the information notice, including information that is not EVM information.
- (4) Sub-paragraph (5) applies where –
- (a) the Secretary of State is considering whether to suspend payments of a benefit to a person in accordance with regulations under section 21 or 22 of the Social Security Act 1998, and
  - (b) the Secretary of State has been given EVM information that is relevant to the question whether to suspend the payments.
- (5) The Secretary of State must have regard to all information that the Secretary of State has that is relevant to the question whether to suspend the payments, including information that is not EVM information.
- (6) Sub-paragraph (7) applies where –
- (a) the Secretary of State is considering whether a decision taken under section 8, 9 or 10 of the Social Security Act 1998 in relation to a person (“the earlier decision”) should be revised or superseded, and
  - (b) the Secretary of State has been given EVM information that is relevant to the question whether the earlier decision should be revised or superseded.
- (7) The Secretary of State must have regard to all information that the Secretary of State has that is relevant to the question whether the earlier decision should be revised or superseded, including information that is not EVM information.”

**84B** Schedule 3, page 91, line 4, at end insert “(but this is subject to paragraph 5)”

**E** **Baroness Sherlock to move, That this House do not insist on its Amendment 84 and do agree with the Commons in their Amendments 84A and 84B in lieu.**



## MOTION F

## LORDS AMENDMENT 97

## Schedule 4

**97** Schedule 4, page 94, line 11, at end insert –

“(4A) Section 117 (reasonable use of force) is to be read as if at the end there were inserted –

“(2) Authorised investigators exercising powers under section 109D may only use reasonable force, if necessary, against items and property, not against persons.

(3) Nothing in subsection (2) restricts the power of a police constable to use reasonable force, if necessary, when exercising powers under section 109D Social Security Administration Act 1992.””

## COMMONS DISAGREEMENT AND AMENDMENTS IN LIEU

*The Commons disagree to Lords Amendment 97 but propose Amendments 97A, 97B, 97C, 97D, 97E, and 97F to the Bill in lieu –*

**97A** Clause 76, page 45, line 4, after “investigators” insert “, including”

**97B** Clause 76, page 45, leave out line 24

**97C** Clause 76, page 45, line 27, at end insert –

“(4A) An authorised investigator may use reasonable force in respect of property if necessary in the exercise of a power conferred by a provision of the 1984 Act as applied by subsections (3) and (4).

(4B) Subsections (4C) to (4E) apply where a person has the same powers as an authorised investigator by virtue of section 16(2A) of the 1984 Act as applied by subsections (3) and (4).

(4C) Where the person is a constable, the constable may use reasonable force in respect of property or persons if necessary in the exercise of the powers.

(4D) Where the person is not a constable, the person may use reasonable force in respect of property if necessary in the exercise of the powers.

(4E) But a person may use reasonable force under subsection (4D) only in the company, and under the supervision, of an authorised investigator.”

**97D** Schedule 4, page 96, line 26, leave out “take other persons, equipment and materials on to the premises” and insert “be accompanied by other persons, and bring equipment and materials on to premises,”

**97E** Schedule 4, page 96, line 29, leave out “taken onto the premises” and insert “accompanying an authorised investigator”

**97F** Schedule 4, page 97, leave out lines 14 to 16 and insert—

- “(6) An authorised investigator exercising powers granted by a warrant under paragraph 1 may use reasonable force in respect of property if necessary in the exercise of those powers.
- (7) Sub-paragraphs (8) to (10) apply where, by virtue of paragraph 3(3), a person other than an authorised investigator may exercise powers granted by a warrant under paragraph 1.
- (8) Where the person is a constable, the constable may use reasonable force in respect of property or persons if necessary in the exercise of the powers.
- (9) Where the person is not a constable, the person may use reasonable force in respect of property if necessary in the exercise of the powers.
- (10) But a person may use reasonable force under sub-paragraph (9) only in the company, and under the supervision, of an authorised investigator.
- (11) Sub-paragraphs (6) to (9) do not permit the use of force to enforce the requirement described in paragraph 2(1)(f).”

**F** **Baroness Sherlock to move, That this House do not insist on its Amendment 97 and do agree with the Commons in their Amendments 97A, 97B, 97C, 97D, 97E and 97F in lieu.**



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*10 November 2025*

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