



House of Commons

Monday 12 December 2016

CONSIDERATION OF BILL (REPORT STAGE)

New Amendments handed in are marked thus ★

☆ *Amendments which will comply with the required notice period at their next appearance*

SAVINGS (GOVERNMENT CONTRIBUTIONS) BILL

NOTE

This document includes all amendments tabled to date and includes any withdrawn amendments at the end. The amendments have been arranged in the order in which they relate to the Bill.

NEW CLAUSES

Gareth Thomas
Stephen Doughty

NC1

To move the following Clause—

“Save as You Earn: employee request

- (1) The Secretary of State may, by regulations, make provision for a Save as You Earn scheme.
 - (2) The scheme shall require employers to make deductions from wages if—
 - (a) the employee has requested to enrol on the Save as You Earn scheme;
 - (b) the deducted wages are paid into a Help-to-Save account; and
 - (c) the amount deducted does not exceed the maximum monthly amount as defined in paragraph 10(2) of Schedule 2 to this Act.”
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Savings (Government Contributions) Bill, *continued*

Peter Dowd
John McDonnell
Rebecca Long-Bailey
Jonathan Reynolds

NC2

To move the following Clause—

“Impact review: automatic enrolment and pensions savings

- (1) The Treasury must review the impact of Lifetime ISAs on workplace pensions automatic enrolment and pensions savings within one year of this Act coming into force and every year thereafter.
- (2) The conclusions of the review must be made publicly available and laid before Parliament.”

Member’s explanatory statement

This new clause would place a duty on HMRC to review annually the impact of Lifetime ISAs on automatic enrolment.

Peter Dowd
John McDonnell
Rebecca Long-Bailey
Jonathan Reynolds

NC3

To move the following Clause—

“Lifetime ISAs: Advice for applicants

- (1) The Treasury must, by regulations, make provision for all applicants for a Lifetime ISA to have independent financial advice made available to them regarding the decision whether or not to save in a Lifetime ISA.
- (2) Any applicant that opts in to the services offered under subsection (1) shall be given a signed declaration by that service provider outlining the financial advice that the applicant has received.
- (3) Any provider of a Lifetime ISA must confirm whether an applicant—
 - (a) intends to use the Lifetime ISA for the purposes of paragraph 7(1)(b) of Schedule 1,
 - (b) has a signed declaration of financial advice under subsection (2), or
 - (c) is enrolled on a workplace pension scheme or is self-employed.
- (4) Where the provider determines that the applicant is—
 - (a) self-employed and does not participate in a pension scheme,
 - (b) not enrolled on a workplace pension scheme,
 - (c) does not intend to use the Lifetime ISA for the purposes of paragraph 7(1)(b) of Schedule 1, or

Savings (Government Contributions) Bill, *continued*

- (d) does not have a signed declaration of financial advice under subsection (2),

the provider must inform the applicant about the independent financial advice available to them under subsection (1).”

Member’s explanatory statement

This new clause would place a duty on the Treasury to make regulations that ensure all applicants for a Lifetime ISA have independent financial advice made available to them.

Peter Dowd
John McDonnell
Rebecca Long-Bailey
Jonathan Reynolds

NC4

To move the following Clause—

“First-time residential purchase: research and impact assessment

- (1) Within one year of this Act coming into force the Treasury must conduct a review into the potential impact of provisions within paragraph 7(1)(b) of Schedule 1 on—
- (a) house prices in the UK, and
 - (b) the operation of the housing market.
- (2) The findings of the review must be made publicly available and laid before Parliament.”

Member’s explanatory statement

This new clause would require a review of the Bill’s effect on the UK housing market/house prices.

Peter Dowd
John McDonnell
Rebecca Long-Bailey
Jonathan Reynolds

NC5

To move the following Clause—

“Distributional analysis of the impact of the Lifetime ISA and Help to Save

- (1) Within six months of this Act coming into force the Treasury must conduct an analysis of the distribution of benefits of Lifetime ISAs and Help-to-Save accounts including between—
- (a) households at different levels of income,
 - (b) people of different genders,
 - (c) people with disabilities, and
 - (d) black and minority ethnic groups.
- (2) The findings of the analysis conducted under subsection (1) must be laid before Parliament.”

Savings (Government Contributions) Bill, *continued*

Peter Dowd
John McDonnell
Rebecca Long-Bailey
Jonathan Reynolds

NC6

To move the following Clause—

“Lifetime ISA and Help-to-Save: value for money

- (1) Within six months of this Act coming into force the Treasury must assess the value for money provided by the Lifetime ISA and Help-to-Save scheme.
- (2) The assessment must in particular include—
 - (a) the cost to the Exchequer of the measures,
 - (b) the number of individuals who have benefited from the measures, and
 - (c) the average tax deduction received by an individual as a result of the measures.
- (3) The findings of the assessment must be made publicly available.”

Ian Blackford
Dr Eilidh Whiteford

NC7

To move the following Clause—

“Advice for applicants

The Treasury must make provision by regulations to ensure all providers of Lifetime ISAs or Help-to-Save accounts provide applicants, at the point of application, with advice about the suitability of the product in question for each individual applicant.”

Member’s explanatory statement

This new clause would require advice to be provided to applicants for LISAs or Help-to-Save accounts which must include information on automatic enrolment and workplace saving schemes.

Ian Blackford
Dr Eilidh Whiteford

15

Page 1, line 1, leave out Clause 1

Member’s explanatory statement

See explanatory statement for amendment 16.

Ian Blackford
Dr Eilidh Whiteford

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☆ Clause 3, page 2, line 17, leave out “1 or”

Savings (Government Contributions) Bill, *continued*

Ian Blackford
Dr Eilidh Whiteford 18

☆ Clause 3, page 2, line 19, leave out “Lifetime ISA or”

Ian Blackford
Dr Eilidh Whiteford 19

☆ Clause 3, page 2, line 23, leave out “Lifetime ISA or”

Ian Blackford
Dr Eilidh Whiteford 20

☆ Clause 4, page 2, leave out lines 32 to 36

Ian Blackford
Dr Eilidh Whiteford 21

☆ Clause 4, page 3, leave out lines 9 to 11

Ian Blackford
Dr Eilidh Whiteford 22

☆ Clause 5, page 3, leave out line 23

Peter Dowd
John McDonnell
Rebecca Long-Bailey
Jonathan Reynolds 6

Clause 6, page 3, line 36, leave out from “on” to end of line 37 and insert “30 April 2019”

Member’s explanatory statement

This amendment would delay the commencement of the Bill until the end of April 2019, when all firms will be auto-enrolled and the increase in minimum contributions to eight per cent. will be completed.

Savings (Government Contributions) Bill, *continued*

Ian Blackford
Dr Eilidh Whiteford

16

Page 5, line 1, leave out Schedule 1

Member's explanatory statement

This amendment, together with amendments 15 and 17 to 22, would remove provisions for the Lifetime ISA from the Bill.

Mr Chancellor of the Exchequer

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Schedule 1, page 14, line 36, at end insert—

“PART 6

INFORMATION SHARING

Information sharing between HMRC and others

- 18 (1) Sub-paragraph (2) applies to information which—
- (a) is held as mentioned in section 18(1) of the Commissioners for Revenue and Customs Act 2005 (confidentiality),
 - (b) relates to withdrawals from a Lifetime ISA, and
 - (c) is relevant to whether an individual is eligible for a bonus under the Help to Buy: ISA Scheme.
- (2) Information to which this sub-paragraph applies may be disclosed to the Administrator for use for the purpose of establishing whether or not an individual is eligible for a bonus under the Help to Buy: ISA Scheme.
- (3) In this paragraph—
- “the Administrator” means the person who for the time being is the Administrator under the Scheme Rules (as from time to time amended or supplemented) of the Help to Buy: ISA Scheme, and
 - “the Help to Buy: ISA Scheme” means the scheme of that name—
- (a) announced by the Treasury in March 2015,
 - (b) launched on 1 December 2015,
 - (c) for which Scheme Rules were published on that date by the Treasury, and
 - (d) which is governed by those Scheme Rules (as from time to time amended or supplemented),
- and paragraph 1(1) (meaning of “bonus”) does not apply for the purposes of this paragraph.
- (4) Information disclosed in reliance on sub-paragraph (2) may not be further disclosed to any other person without the authority of HMRC (which may be general or specific).
- (5) If revenue and customs information relating to a person is disclosed in contravention of sub-paragraph (4) and the identity of the person—
- (a) is specified in the disclosure, or
 - (b) can be deduced from it,
- section 19 of the Commissioners for Revenue and Customs Act 2005 (wrongful disclosure) applies in relation to the disclosure as it applies in relation to a disclosure of such information in contravention of section 20(9) of that Act.

Savings (Government Contributions) Bill, continued

- (6) In sub-paragraph (5) “revenue and customs information relating to a person” has the meaning given by section 19(2) of the Commissioners for Revenue and Customs Act 2005.
- (7) A person who holds any information may disclose that information to HMRC or an officer of Revenue and Customs if the disclosure is made for the purposes of the exercise of any of the functions of HMRC, or an officer of Revenue and Customs, under section 1 and this Schedule.
- (8) This paragraph does not limit the circumstances in which information may be disclosed apart from this paragraph.”

Member’s explanatory statement

It is proposed that a saver buying their first home who has both a Lifetime ISA and a Help to Buy: ISA will get a government bonus from one only of those accounts if they withdraw money from both for their purchase. To enable the necessary cross-checking, this Amendment would allow HM Revenue and Customs (“HMRC”) to provide the Administrator of the Help to Buy: ISA Scheme with information about withdrawals from Lifetime ISAs. The Amendment would also allow anyone to provide HMRC with information for use by HMRC in carrying out their Lifetime ISA functions.

Gareth Thomas
Stephen Doughty

Schedule 2, page 16, line 3, leave out “48” and insert “24”

1

Ian Blackford
Dr Eilidh Whiteford

Schedule 2, page 16, line 31, at end insert—

“(1A) The conditions specified under subsection (1) shall not include the condition that the individual be over 25 years old if that individual meets all other specified conditions relating to the working tax credit.”

Member’s explanatory statement

Currently those aged under 25 only qualify for Working Tax Credits if they work at least 16 hours a week. This amendment would ensure any individual aged under 25 would qualify for a Help-to-Save account if they met other specified criteria.

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Gareth Thomas
Stephen Doughty
Mr Gavin Shuker
Mrs Louise Ellman
Mike Gapes
Anna Turley

Geraint Davies
Stella Creasy

Mr Steve Reed
Stephen Twigg

Seema Malhotra
Mr Mark Hendrick

Schedule 2, page 17, line 36, at end insert—
“(d) a credit union.”

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8 Consideration of Bill (Report Stage): 12 December 2016

Savings (Government Contributions) Bill, *continued*

Ian Blackford
Dr Eilidh Whiteford

Schedule 2, page 18, line 16, leave out “maximum” and insert “average”
Member’s explanatory statement
See explanatory statement for amendment 11.

8

Ian Blackford
Dr Eilidh Whiteford

Schedule 2, page 18, line 19, leave out “maximum” and insert “average”
Member’s explanatory statement
See explanatory statement for amendment 11.

9

Ian Blackford
Dr Eilidh Whiteford

Schedule 2, page 18, line 19, after “means”, insert “an average of”
Member’s explanatory statement
See explanatory statement for amendment 11.

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Ian Blackford
Dr Eilidh Whiteford

Schedule 2, page 18, line 19, after “£50”, insert “across every two month period within the maturity period”
Member’s explanatory statement
Together with amendments 8, 9 and 10, this amendment would allow HTS to provide for “top-up” monthly payments above £50 so long as the average payment for every two months is £50.

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Mr Chancellor of the Exchequer

Schedule 2, page 18, line 20, after “amount”, insert “(which may be nil)”
Member’s explanatory statement
This amendment would allow Treasury regulations to specify that the maximum monthly amount that may be paid into an account is nil in certain circumstances (for example where the saver is not in the UK).

4

Ian Blackford
Dr Eilidh Whiteford

Schedule 2, page 19, line 2, at end insert—
“(e) provision for eligible persons to be auto-enrolled into Help-to-Save accounts through deductions from salaries or benefit entitlements unless the individual chooses to opt-out.”
Member’s explanatory statement
This amendment would enable an ‘auto-enrolment’ workplace saving scheme which would see an individual automatically signed up to a Help-to-Save account. He or she must opt-out to stop money being deducted from their pay or benefits into a savings account.

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Savings (Government Contributions) Bill, *continued*

Mr Chancellor of the Exchequer

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Schedule 2, page 19, line 15, at end insert—

“Account provider to be notified about absence from UK

- 11A (1) Treasury regulations may, in connection with any stipulation that (directly or indirectly) links entitlement to bonus in respect of a Help-to-Save account with the presence in the United Kingdom of the individual for whom the account is opened—
- (a) impose duties to notify the account provider about absences of the individual from the United Kingdom;
 - (b) make provision for the imposition of a penalty, which must not exceed £300, for failure to comply with a duty imposed under paragraph (a).
- (2) Paragraphs 44, 45, 46(1), 47 to 49 and 52 of Schedule 36 to the Finance Act 2008 (penalties: liability, assessment, appeals and enforcement) apply in relation to a penalty under regulations under sub-paragraph (1)(b) as they apply in relation to a penalty under paragraph 39 of that Schedule.
- (3) An assessment of a penalty under regulations under sub-paragraph (1)(b) must be made—
- (a) within the period of 12 months beginning with the date on which the failure first came to the attention of an officer of Revenue and Customs, and
 - (b) within the period of six years beginning with the date on which the person became liable to the penalty.
- (4) Without prejudice to paragraph 49(2) of Schedule 36 to the Finance Act 2008 (enforcement) as applied by sub-paragraph (2), regulations under sub-paragraph (1)(b) may (in particular) provide for a penalty under such regulations to be deducted from amounts to be paid by way of bonus in respect of the Help-to-Save account concerned.”

Member’s explanatory statement

This amendment would allow Treasury regulations to impose duties requiring that account providers are informed about an individual’s absence from the UK, where that absence could be relevant to the amount of bonus which is payable in respect of a Help-to-Save account.

Ian Blackford
Dr Eilidh Whiteford

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Schedule 2, page 19, line 31, at end insert—

- “(3A) Where a bankruptcy order is made against a person with a Help-to-Save account any bonus paid into the Help-to-Save account will not form part of a debtor’s estate during insolvency proceedings.
- (3B) Any bonus paid into a Help-to-Save account shall not be liable to be taken as repayment via third party debt orders.”

Savings (Government Contributions) Bill, *continued*

Ian Blackford
Dr Eilidh Whiteford

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Schedule 2, page 20, line 23, at end insert—

“(ba) for a bonus in respect of a Help-to-Save account to be paid after six calendar months beginning with the calendar month in which the account is opened and at six month intervals thereafter;”

Member’s explanatory statement

This amendment would reduce the time before the holder of a Help to Save account would receive a government bonus to six months.

ORDER OF THE HOUSE [17 OCTOBER 2016]

That the following provisions shall apply to the Savings (Government Contributions) Bill:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 1 November 2016.
3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Proceedings on Consideration and up to and including Third Reading

4. Proceedings on Consideration and any proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.
5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of any message from the Lords) may be programmed.
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