
Committee Stage: Tuesday 17 December 2024

National Insurance Contributions (Secondary Class 1 Contributions) Bill

(Amendment Paper)

This document lists all amendments tabled to the National Insurance Contributions (Secondary Class 1 Contributions) Bill. Any withdrawn amendments are listed at the end of the document. The amendments are arranged in the order in which it is expected they will be decided.

This document should be read alongside the provisional Selection and Grouping by the Chairman of Ways and Means, which sets out the order in which the amendments will be debated.

★ New Amendments.

New Amendment: 26

Daisy Cooper

1

Ed Davey
Ellie Chowns
Carla Denyer
Adrian Ramsay
Siân Berry

Clause 1, page 1, line 2, at beginning insert—

“(A1) In section 9(1A) of the Social Security Contributions and Benefits Act 1992, before paragraph (a) insert—

“(za) if the employer is a specified employer under subsection (1B), the specified employer secondary percentage;”

(A2) After section 9(1A) of that Act insert—

“(1B) A “specified employer” means—

(a) a person providing a care home service or a domiciliary support service who is regulated under—

- (i) Part 1 of the Health and Social Care Act 2008,
- (ii) Part 1 of the Regulation and Inspection of Social Care (Wales) Act 2016, or
- (iii) Part 5 of the Public Services Reform (Scotland) Act 2010,

- (b) a person contracted to provide primary care under the provisions of—
 - (i) Part 4 of the National Health Service Act 2006,
 - (ii) Part 4 of the National Health Service (Wales) Act 2006, or
 - (iii) sections 17J to 17O of the National Health Service (Scotland) Act 1978,
- (c) a person contracted to provide general dental services under the provisions of Part 2 of the National Health Service (General Dental Services) Regulations 1992,
- (d) a person contracted to provide pharmacy services under the provisions of—
 - (i) Part 7 of the National Health Service Act 2006, or
 - (ii) Part 8 of the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013, or
- (e) a charitable provider of health and care, or
- (f) a person providing hospice care whether in a hospice or elsewhere.

(1C) For the purposes of this Act, the specified employer secondary percentage is 13.8%.””

Member's explanatory statement

This amendment, together with Amendment 2 provides that care providers, NHS GP practices, NHS commissioned dentists, NHS commissioned pharmacists, charitable providers of health and care, and those providing hospice care would continue to pay contributions at current rates.

Dave Doogan

4

Stephen Flynn
Kirsty Blackman
Ben Lake
Ellie Chowns
Carla Denyer

Adrian Ramsay

Siân Berry

Clause 1, page 1, line 2, at beginning insert—

“(A1) The Social Security Contributions and Benefits Act 1992 is amended as follows.

(A2) In section 9(1A) after paragraph (aa) insert—

“(ab) if section 9AA below applies to the earnings, the reduced secondary percentage;”

(A3) After section 9A insert—

“9AA Qualification for reduced secondary percentage

(1) Where a secondary Class 1 contribution is payable as mentioned in section 6(1)(b) above, this section applies to the earnings paid in the

tax week, in respect of the employment in question, where the earner is employed—

- (a) by a charity registered in the charity register or the Scottish charity register,
 - (b) by a voluntary organisation within the meaning of regulation 2 of the Housing Benefit Regulations 2006,
 - (c) to work in a GP practice,
 - (d) by a university, or
 - (e) by a college of further education.
- (2) For the purposes of section 9(1A)(ab) above, the reduced secondary percentage is 13.8%.””

Shockat Adam

7

Ayoub Khan
Iqbal Mohamed
Jeremy Corbyn

Clause 1, page 1, line 2, at beginning insert—

“(A1) The Social Security Contributions and Benefits Act 1992 is amended as follows.

(A2) In section 9(1A) before paragraph (a) insert—

“(za) if subsection (1B) below applies, the healthcare and small charities secondary percentage;”

(A3) After section 9(1A) insert—

“(1B) This section applies where the earner is employed to work—

(a) in any of the following settings—

- (i) a GP surgery,
- (ii) an optometry or dispensing optician practice,
- (iii) a dental surgery,
- (iv) a pharmacy,
- (v) a residential care setting, or

(b) for a registered charity employing 50 people or fewer.

(1C) For the purposes of subsection (1A)(za) the healthcare and small charities secondary percentage is 13.8%.””

Gareth Davies

13

Clause 1, page 1, line 2, at beginning insert—

“(A1) The Social Security Contributions and Benefits Act 1992 is amended as follows.

(A2) In section 9(1A) before paragraph (a) insert—

“(za) if sub section (1B) below applies to the earnings, the specified sector secondary percentage;”

(A3) After section 9(1A) insert—

“(1B) Where a secondary Class 1 contribution is payable as mentioned in section 6(1)(b) above, this subsection applies to the earnings paid in the tax week, in respect of the employment in question, where the earner is employed in any of the following specified sectors—

- (a) adult social care,
- (b) hospices,
- (c) primary care,
- (d) nurseries registered in the Early Years Register maintained by the Office of Standards in Education, Children’s Services and Skills, or
- (e) a charity registered in the charity register or the Scottish charity register.

(1C) For the purposes of this Act above, the specified sector secondary percentage is 13.8%.””

Member's explanatory statement

This amendment would provide that adult social care, hospice, primary care, nurseries and charities would continue to pay contributions at current rates.

Daisy Cooper

19

Clause 1, page 1, line 2, at beginning insert—

“(A1) In section 9(1A) of the Social Security Contributions and Benefits Act 1992, before paragraph (a) insert—

“(za) if the employer is a specified employer under subsection (1B), the specified employer secondary percentage;”

(A2) After section 9(1A) of that Act insert—

“(1B) A “specified employer” means—

- (a) a provider of education or childcare to children under five years of age—
 - (i) registered in England in the early years register maintained by the Office for Standards in Education, Children’s Services and Skills,
 - (ii) registered in Wales with Care Inspectorate Wales, or
 - (iii) registered in Scotland with the Scottish Care Inspectorate; or
- (b) a university.

- (1C) For the purposes of this Act, the specified employer secondary percentage is 13.8%.””

Member's explanatory statement

This amendment provides that Early Years Settings and Universities would continue to pay contributions at current rates.

Daisy Cooper

20

Clause 1, page 1, line 2, at beginning insert—

“(A1) In section 9(1A) of the Social Security Contributions and Benefits Act 1992, after paragraph (aa) insert—

“(ab) if the employer is a specified employer under subsection (1B), the specified employer secondary percentage;”

(A2) After section 9(1A) of that Act insert—

“(1B) A “specified employer” means—

- (a) a registered charity, or
- (b) a housing association.

(1C) For the purposes of this Act, the specified employer secondary percentage is 13.8%.””

Member's explanatory statement

This amendment provides that charities and housing associations would continue to pay contributions at current rates.

Daisy Cooper

21

Clause 1, page 1, line 2, at beginning insert—

“(A1) The Social Security Contributions and Benefits Act 1992 is amended as follows.

(A2) In section 9(1A) after paragraph (aa) insert—

“(ab) if section 9AA below applies to the earnings, the part-time worker secondary percentage;”

(A3) After section 9A insert—

“9AA Part-time worker secondary percentage

- (1) Where a secondary Class 1 contribution is payable as mentioned in section 6(1)(b) above, this section applies to the earnings paid in the tax week, in respect of the employment in question, where the earner is a part-time worker.
- (2) For the purposes of section 9(1A)(a) above, the part-time worker secondary percentage is 7.5%.

- (3) For the purposes of this section, a “part-time worker” has the meaning given in Regulation 2 of the Part-time Workers (Prevention of Less Favourable Treatment) Regulations 2000.””

Member's explanatory statement

This amendment sets a new National Insurance Contributions rate for part-time workers.

Daisy Cooper

23

Clause 1, page 1, line 2, at beginning insert—

“(A1) The Social Security Contributions and Benefits Act 1992 is amended as follows.

(A2) In section 9(1A) after paragraph (aa) insert—

“(ab) if section 9AA below applies to the earnings, the veterans secondary percentage;”

(A3) After section 9A insert—

“9AA Veterans secondary percentage

- (1) Where a secondary Class 1 contribution is payable as mentioned in section 6(1)(b) above, this section applies to the earnings paid in the tax week, in respect of the employment in question, where the earner is a veteran.
- (2) For the purposes of section 9(1A)(a) above, the veterans secondary percentage is 13.8%.
- (3) For the purposes of this section, a “veteran” means a former member of any of His Majesty’s forces.””

Member's explanatory statement

This amendment would exempt veterans' salaries from NICs changes.

Dave Doogan

26

Stephen Flynn
Kirsty Blackman

★ Clause 1, page 1, line 2, at beginning insert—

“(A1) The Social Security Contributions and Benefits Act 1992 is amended as follows.

(A2) In section 9(1A) after paragraph (aa) insert—

“(ab) if section 9AA below applies to the earnings, the reduced secondary percentage;”

(A3) After section 9A insert—

“9AA Qualification for reduced secondary percentage

- (1) Where a secondary Class 1 contribution is payable as mentioned in section 6(1)(b) above, this section applies to the earnings paid in the tax week, in respect of the employment in question, where the earner is employed—
- (a) by a charity registered in the charity register or the Scottish charity register,
 - (b) by a voluntary organisation within the meaning of regulation 2 of the Housing Benefit Regulations 2006,
 - (c) to work in a GP practice,
 - (d) to provide services for or on behalf of any NHS provider in Scotland,
 - (e) to work in a residential care home,
 - (f) to provide hospice care,
 - (g) by a university,
 - (h) by a college of further education, or
 - (i) by a nursery providing early years childcare.
- (2) For the purposes of section 9(1A)(a) above, the reduced secondary percentage is 13.8%.”

Sorcha Eastwood

10

Clause 1, page 1, line 3, at end insert—

“(1A) The Social Security Contributions and Benefits (Northern Ireland) Act 1992 is amended as follows.

(1B) In section 9(1A) after paragraph (aa) insert—

“(ab) where the employer is a specified employer under subsection (1B), the specified employer secondary percentage;”

(1C) After section 9(1A) insert—

“(1B) A “specified employer” means—

- (a) a person providing a care home service or domiciliary support service regulated under the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003, or
- (b) a person providing primary medical services through contractual arrangements with a Health and Social Services Board,
- (c) a person providing general dental services under Part 2 of the General Dental Services (Northern Ireland) Regulations 1993,
- (d) a person providing pharmaceutical services under Part 2 of the Pharmaceutical Services Regulations (Northern Ireland) 1997,

- (e) a provider of health and care registered as a charity by the Charity Commission for Northern Ireland,
- (f) a person providing hospice care whether in a hospice or elsewhere,
- (g) a voluntary or community organisation, and
- (h) a provider of childcare registered in the Family Support NI Register.

(1C) For the purposes of this Act, the specified employer secondary percentage is 13.8%.”

(1D) After subsection (3) insert—

“(4) The Secretary of State must by regulations define a voluntary or community organisation for the purposes of subsection (1B)(g).”

Member's explanatory statement

This amendment aims to provide that in Northern Ireland care homes, domiciliary care providers, GP and dental surgeries, pharmacists, health and care charities, hospice care providers, voluntary or community organisations and childcare providers would remain subject to the current secondary Class 1 contribution rate, not the increased rate proposed in the Bill.

Gareth Davies

16

Clause 1, page 1, line 3, at end insert—

“(1A) The Social Security Contributions and Benefits (Northern Ireland) Act 1992 is amended as follows.

(1B) In section 9(1A) before paragraph (a) insert—

“(za) if sub section (1B) below applies to the earnings, the specified sector secondary percentage;”

(1C) After section 9(1A) insert—

“(1B) Where a secondary Class 1 contribution is payable as mentioned in section 6(1)(b) above, this subsection applies to the earnings paid in the tax week, in respect of the employment in question, where the earner is employed in any of the following specified sectors—

- (a) adult social care,
- (b) hospices,
- (c) primary care,
- (d) nurseries registered with Family Support NI, or
- (e) a registered charity in Northern Ireland.

(1C) For the purposes of this Act above, the specified sector secondary percentage is 13.8%.”

Member's explanatory statement

This amendment would provide that adult social care, hospice, primary care, nurseries and charities in Northern Ireland would continue to pay contributions at current rates.

Daisy Cooper

22

Clause 1, page 1, line 3, at end insert—

“(1A) The Social Security Contributions and Benefits (Northern Ireland) Act 1992 is amended as follows.

(1B) In section 9(1A) after paragraph (aa) insert—

“(ab) if section 9AA below applies to the earnings, the part-time worker secondary percentage;”

(1C) After section 9A insert—

“9AA Part-time worker secondary percentage

- (1) Where a secondary Class 1 contribution is payable as mentioned in section 6(1)(b) above, this section applies to the earnings paid in the tax week, in respect of the employment in question, where the earner is a part-time worker.
- (2) For the purposes of section 9(1A)(a) above, the part-time worker secondary percentage is 7.5%.
- (3) For the purposes of this section, a “part-time worker” has the meaning given in Regulation 2 of the Part-time Workers (Prevention of Less Favourable Treatment) (Northern Ireland) Regulations 2000.””

Member's explanatory statement

See Amendment 21.

Daisy Cooper

2

Ed Davey
Ellie Chowns
Carla Denyer
Adrian Ramsay
Siân Berry

Clause 2, page 1, line 12, leave out “£96” and insert—

- “(i) for a specified employer under section 9(1B) of the Social Security Contributions and Benefits Act 1992, £175, and
- (ii) in all other cases, £96.”

Member's explanatory statement

This amendment, and Amendment 3, exempts care providers, NHS GP practices, NHS commissioned dentists, NHS commissioned pharmacists, charitable providers of health and care, and those providing hospice care from the changes to the threshold.

Dave Doogan 5
Stephen Flynn
Kirsty Blackman
Ben Lake

Clause 2, page 1, line 12, leave out “£96” and insert—

- “(i) in respect of an earner listed in section 9AA(1) of the Social Security Contributions and Benefits Act 1992, £175, and
- (ii) in all other cases, £96.”

Shockat Adam 8
Ayoub Khan
Iqbal Mohamed
Jeremy Corbyn

Clause 2, page 1, line 12, leave out “£96” and insert—

- “(i) in respect of an earner to whom the healthcare and small charities secondary percentage under section 9(1B) of the Social Security Contributions and Benefits Act 1992 applies, £175, and
- (ii) in all other cases, £96.”

Sorcha Eastwood 11

Clause 2, page 1, line 12, leave out “£96” and insert—

- “(i) for a specified employer under section 9(1B) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, £175, and
- (ii) in all other cases, £96.”

Member's explanatory statement

This amendment provides that the employers listed in Amendment 10 would be subject to the existing secondary threshold for secondary Class 1 contributions, not the lower threshold proposed in the Bill.

Gareth Davies 14

Clause 2, page 1, line 12, leave out “£96” and insert—

- “(i) in respect of an earner in a specified sector under section 9(1B) of the Social Security Contributions and Benefits Act 1992, £175, and
- (ii) in all other cases, £96.”

Member's explanatory statement

This amendment would exempt adult social care, hospice, primary care providers, nurseries and charities from changes to the threshold.

Gareth Davies

17

Clause 2, page 1, line 12, leave out "£96" and insert—

- "(i) in respect of an earner in a specified sector under section 9(1B) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, £175, and
- (ii) in all other cases, £96."

Member's explanatory statement

This amendment would exempt adult social care, hospice, primary care providers, nurseries and charities in Northern Ireland from changes to the threshold.

Daisy Cooper

24

Clause 2, page 1, line 12, leave out "£96" and insert—

- "(i) where the earner is a veteran within the meaning of section 9AA(3) of the Social Security Contributions and Benefits Act 1992, £175, and
- (ii) in all other cases, £96."

Member's explanatory statement

See Amendment 23.

Daisy Cooper

3

Ed Davey
Ellie Chowns
Carla Denyer
Adrian Ramsay
Siân Berry

Clause 2, page 1, line 14, leave out paragraphs (a) and (b) and insert—

- "(a) in sub-paragraph (a), for "£758" substitute—
 - "(i) for a specified employer under section 9(1B) of the Social Security Contributions and Benefits Act 1992, £758, and
 - (ii) in all other cases, £417", and
- (b) in sub-paragraph (b), for "£9,100" substitute—
 - "(i) for a specified employer under section 9(1B) of the Social Security Contributions and Benefits Act

- 1992 or section 9(1B) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, £9,100, and
- (ii) in all other cases £5,000.””

Member's explanatory statement

This amendment is linked to Amendments 1 and 2.

Dave Doogan

6

Stephen Flynn
Kirsty Blackman
Ben Lake

Clause 2, page 1, line 14, leave out paragraphs (a) and (b) and insert—

“(a) in sub-paragraph (a), for “£758” substitute—

“(i) in respect of an earner listed in section 9AA(1) of the Social Security Contributions and Benefits Act 1992, £758, and

(ii) in all other cases, £417”, and

(b) in sub-paragraph (b), for “£9,100” substitute—

“(i) in respect of an earner listed in section 9AA(1) of the Social Security Contributions and Benefits Act 1992, £9,100, and

(ii) in all other cases £5,000.””

Shockat Adam

9

Ayoub Khan
Iqbal Mohamed
Jeremy Corbyn

Clause 2, page 1, line 14, leave out paragraphs (a) and (b) and insert—

“(a) in sub-paragraph (a), for “£758” substitute—

“(i) in respect of an earner to whom the healthcare and small charities secondary percentage under section 9(1B) of the Social Security Contributions and Benefits Act 1992 applies, £758, and

(ii) in all other cases, £417”, and

(b) in sub-paragraph (b), for “£9,100” substitute—

“(i) in respect of an earner to whom the healthcare and small charities secondary percentage under section 9(1B) of the Social Security Contributions and Benefits Act 1992 applies, £9,100, and

(ii) in all other cases £5,000.””

Sorcha Eastwood

12

Clause 2, page 1, line 14, leave out paragraphs (a) and (b) and insert—

“(a) in sub-paragraph (a), for “£758” substitute—

“(i) for a specified employer under section 9(1B) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, £758, and

(ii) in all other cases, £417”, and

(b) in sub-paragraph (b), for “£9,100” substitute—

“(i) for a specified employer under section 9(1B) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, £9,100, and

(ii) in all other cases £5,000.””

Member's explanatory statement

This amendment makes provision for the monthly and annual thresholds in line with Amendment 11.

Gareth Davies

15

Clause 2, page 1, line 14, leave out paragraphs (a) and (b) and insert—

“(a) in sub-paragraph (a), for “£758” substitute—

“(i) in respect of an earner in a specified sector under section 9(1B) of the Social Security Contributions and Benefits Act 1992, £758, and

(ii) in all other cases, £417”, and

(b) in sub-paragraph (b), for “£9,100” substitute—

“(i) in respect of an earner under section 9(1B) of the Social Security Contributions and Benefits Act 1992, £9,100, and

(ii) in all other cases £5,000.””

Member's explanatory statement

This amendment would exempt adult social care, hospice, primary care providers, nurseries and charities from changes to the threshold.

Gareth Davies

18

Clause 2, page 1, line 14, leave out paragraphs (a) and (b) and insert—

“(a) in sub-paragraph (a), for “£758” substitute—

“(i) in respect of an earner in a specified sector under section 9(1B) of the Social Security Contributions

- and Benefits (Northern Ireland) Act 1992, £758, and
- (ii) in all other cases, £417", and
- (b) in sub-paragraph (b), for "£9,100" substitute—
- "(i) in respect of an earner under section 9(1B) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, £9,100, and
- (ii) in all other cases £5,000." "

Member's explanatory statement

This amendment would exempt adult social care, hospice, primary care providers, nurseries and charities in Northern Ireland from changes to the threshold.

Daisy Cooper

25

Clause 2, page 1, line 14, leave out paragraphs (a) and (b) and insert—

- "(a) in sub-paragraph (a), for "£758" substitute—
- "(i) where the earner is a veteran within the meaning of section 9AA(3) of the Social Security Contributions and Benefits Act 1992, £758, and
- (ii) in all other cases, £417", and"
- (b) in sub-paragraph (b), for "£9,100" substitute—
- "(i) where the earner is a veteran within the meaning of section 9AA(3) of the Social Security Contributions and Benefits Act 1992, £9,100, and
- (ii) in all other cases £5,000." "

Member's explanatory statement

See Amendment 23.

Gareth Davies

NC1

To move the following Clause—

"Review of the impact of the Act

The Chancellor of the Exchequer must, within a year of this Act being passed, publish an assessment of the impact of the changes introduced by this Act on—

- (a) rates of employment,
- (b) real wages,
- (c) inflation, and
- (d) real household disposable income."

Daisy Cooper

NC2

To move the following Clause—

“Review of effect on SMEs, hospitality, tourism and seasonal workers

- (1) The Chancellor of the Exchequer must, within six months of the passing of this Act, lay before Parliament a review of the impact of the measures contained in this Act.
- (2) The review must consider in particular—
 - (a) the impact of those measures on the finances and staffing of small and medium sized businesses;
 - (b) the impact of those measures on the finances and staffing of small and medium sized businesses in the hospitality and tourism sector;
 - (c) the impact of those measures on sectors who rely on seasonal workers.
- (3) In this section, “small and medium sized businesses” means any business which has an average headcount of staff of less than 250 in the tax year 2023-24.”

Member's explanatory statement

This new clause would require the Government to produce an impact assessment of the effect of the Act on SMEs, Hospitality, Tourism and Seasonal workers and on the sectors relying on seasonal workers.

Daisy Cooper

NC3

To move the following Clause—

“Review of effect of employer NIC threshold

- (1) The Chancellor of the Exchequer must, within six months of the passing of this Act, lay before Parliament a review of the impact of the measures contained in this Act on part-time workers.
- (2) The review must consider in particular the effect of the threshold set by section 2 of this Act on part-time workers—
 - (a) earning £5,000 - £9,000, or
 - (b) working under 16 hours per week.”

Member's explanatory statement

This new clause would require the Government to produce a report into the impact of the employer NIC threshold on part-time staff, especially those who are lower paid or working less than 16 hours a week.

Ms Stella Creasy

NC4

To move the following Clause—

“Employment allowance: review of exception on childcare service providers

- (1) The Chancellor of the Exchequer must conduct a review of how the exception from the employment allowance under section 2 of the National Insurance Contributions Act 2014 (“the 2014 Act”) affects providers of childcare services.
- (2) The review must consider the likely impact on providers of childcare services were section 2 of the 2014 Act to be amended to enable such providers to qualify for the allowance.
- (3) A report setting out the findings of the review must be published and laid before both Houses of Parliament within six months of this Act being passed.”

Order of the House

[3 December 2024]

That the following provisions shall apply to the National Insurance Contributions (Secondary Class 1 Contributions) Bill:

Committal

1. The Bill shall be committed to a Committee of the whole House.

Proceedings in Committee, on Consideration and on Third Reading

2. Proceedings in Committee shall (so far as not previously concluded) be brought to a conclusion four hours after their commencement.
3. Any proceedings on Consideration and proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion five hours after the commencement of proceedings in Committee of the whole House.
4. Standing Order No. 83B (Programming committees) shall not apply to proceedings in Committee of the whole House, to any proceedings on Consideration or to proceedings on Third Reading.

Other proceedings

5. Any other proceedings on the Bill may be programmed.