
Committee Stage: Tuesday 11 March 2025

Public Authorities (Fraud, Error and Recovery) Bill

(Committee Stage Decisions)

This document sets out the fate of each clause, schedule, amendment and new clause considered at committee stage.

A glossary with key terms can be found at the end of this document.

First to Tenth Sittings

First and Second Sittings

Andrew Western

Agreed to

That—

1. the Committee shall (in addition to its first meeting at 9.25 am on Tuesday 25 February) meet—
 - (a) at 2.00 pm on Tuesday 25 February;
 - (b) at 11.30 am and 2.00 pm on Thursday 27 February;
 - (c) at 9.25 am and 2.00 pm on Tuesday 4 March;
 - (d) at 11.30 am and 2.00 pm on Thursday 6 March;
 - (e) at 9.25 am and 2.00 pm on Tuesday 11 March;
 - (f) at 11.30 am and 2.00 pm on Thursday 13 March;
 - (g) at 9.25 am and 2.00 pm on Tuesday 18 March;
 - (h) at 11.30 am and 2.00 pm on Thursday 20 March;
2. the Committee shall hear oral evidence in accordance with the following Table:

<i>Date</i>	<i>Time</i>	<i>Witness</i>
Tuesday 25 February	Until no later than 10.10 am	Professor Mark Button, University of Portsmouth; Dr Rasha Kassem, Aston University; Professor Michael Levi, Cardiff University
Tuesday 25 February	Until no later than 10.30 am	Cifas
Tuesday 25 February	Until no later than 11.00 am	Kristin Jones; NHS Counter Fraud Authority
Tuesday 25 February	Until no later than 11.25 am	Money and Pensions Service
Tuesday 25 February	Until no later than 2.30 pm	National Audit Office; HM Revenue & Customs
Tuesday 25 February	Until no later than 2.50 pm	John Smart
Tuesday 25 February	Until no later than 3.10 pm	UK Finance
Tuesday 25 February	Until no later than 3.30 pm	JUSTICE
Tuesday 25 February	Until no later than 3.50 pm	Public Sector Fraud Authority
Tuesday 25 February	Until no later than 4.10 pm	Big Brother Watch
Tuesday 25 February	Until no later than 4.40 pm	Campaign for Disability Justice; Greater Manchester Coalition of Disabled People
Tuesday 25 February	Until no later than 5.00 pm	Department for Work and Pensions; Cabinet Office

3. proceedings on consideration of the Bill in Committee shall be taken in the following order: Clauses 1 to 7; Schedule 1; Clauses 8 to 69; Schedule 2; Clauses 70 to 74; Schedule 3; Clauses 75 to 77; Schedule 4; Clauses 78 to 90; Schedule 5; Clause 91; Schedule 6; Clauses 92 to 98; new Clauses; new Schedules; Clauses 99 to 104; remaining proceedings on the Bill;
4. the proceedings shall (so far as not previously concluded) be brought to a conclusion at 5.00 pm on Thursday 20 March.

 Andrew Western

Agreed to

That, subject to the discretion of the Chair, any written evidence received by the Committee shall be reported to the House for publication.

Andrew Western

Agreed to

That, at this and any subsequent meeting at which oral evidence is to be heard, the Committee shall sit in private until the witnesses are admitted.

The following Witnesses gave oral evidence:

Professor Mark Button, Director, Centre for Cybercrime and Economic Crime at the School of Criminology and Criminal Justice, University of Portsmouth,

Dr Rasha Kassem, Senior Lecturer in Accounting, Leader of the Fraud Research Group, Aston University,

Professor Michael Levi, Professor of Criminology, Cardiff University,

Helena Wood, Director of Public Policy and Strategic Engagement, CIFAS and Fellow at the Centre for Financial Crime and Security Studies, The Royal United Services Institute,

Kristin Jones, formerly Serious Fraud Office and Crown Prosecution,

Alex Rothwell, Chief Executive, NHS Counter Fraud Authority,

Anna Hall, Corporate Director for Debt, Money and Pensions Service,

Christy McAleese, Debt Advice Strategy and Policy lead, Money and Pensions Service,

Joshua Reddaway, Director of Fraud and Propriety, National Audit Office,

Richard Las, Chief Investigation Officer, Director Fraud Investigation Service, HM Revenue & Customs,

John Smart, Formerly Partner, Forensics Ernst & Young, and Member of the Public Sector Fraud Authority advisory panel,

Eric Leenders, Managing Director, Retail Finance, UK Finance,

Daniel Cichocki, Director, Economic Crime Policy and Strategy, UK Finance,

Ellen Lefley, Senior Lawyer, JUSTICE,

Mark Cheeseman OBE, Chief Executive, Public Sector Fraud Authority,

Jasleen Chaggar, Legal and Policy Officer, Big Brother Watch,

Geoff Fimister, Head of Policy, Campaign for Disability Justice,

Rick Burgess, Outreach and Development Lead, Greater Manchester Coalition of Disabled People,

Andrew Western MP, Minister for Transformation, Department of Work and Pensions,
Georgia Gould MP, Parliamentary Secretary, Cabinet Office

Third and Fourth Sitings

Clause 1 agreed to.

Clause 2 agreed to.

Rebecca Smith

Withdrawn after debate 11

Mike Wood

Clause 3, page 2, line 36, at end insert—

- “(c) the information is likely to relate to the suspected fraud, and
- (d) the cost involved in recovering the required information is likely to be reasonable and proportionate.”

Rebecca Smith

Not called 10

Mike Wood

Clause 3, page 2, line 36, at end insert—

- “(1A) The Minister has reasonable grounds to suspect a person has committed fraud against a public authority if—
 - (a) there is an objective basis for the Minister’s suspicion based on facts, verifiable information or intelligence, and
 - (b) a reasonable person would be entitled to reach same conclusion based on the same facts, information or intelligence.
- (1B) The Minister does not have reasonable grounds to suspect a person has committed fraud against a public authority if the Minister’s suspicion—
 - (a) is based in any way on—
 - (i) the person’s physical appearance,
 - (ii) any protected characteristic under the Equality Act 2010 that a person may have or appear to the Minister to have, or
 - (b) is based solely on any generalisation or stereotype giving rise to a belief that certain groups or categories of people are more likely to be involved in criminal activity.”

Rebecca Smith

Not called 14

Mike Wood

Clause 3, page 3, line 10, delete "10" and insert "28"

Rebecca Smith

Not called 9

Mike Wood

Clause 3, page 3, line 30, at end insert—

""reasonable" means the Minister must have formed a genuine suspicion in their own mind, and the suspicion that fraudulent activity has taken place must be reasonable. This means that there must be an objective basis for that suspicion based on facts, verifiable information and or intelligence which indicate that fraudulent activity will be found, so that a reasonable person would be entitled to reach the same conclusion based on the same facts and information, and or intelligence."

Clause agreed to.

Rebecca Smith

Negated on division 15

Mike Wood

Clause 4, page 3, line 33, leave out "Minister" and insert "First Tier Tribunal"

Rebecca Smith

Withdrawn after debate 12

Mike Wood

Clause 4, page 3, line 33, at end insert—

"or of the duration of the period mentioned in section 3(4)(a)"

Rebecca Smith

Not called 16

Mike Wood

Clause 4, page 3, line 36, leave out "Minister" and insert "First Tier Tribunal"

Rebecca Smith

Not called 17

Mike Wood

Clause 4, page 3, line 38, leave out “Minister” and insert “First Tier Tribunal”

Rebecca Smith

Not called 13

Mike Wood

Clause 4, page 4, line 2, at end insert—

“, including by extending the duration of the period mentioned in section 3(4)(a) where satisfied that the person is reasonably unable to comply with the requirement to provide the information within the time required by the notice”

Rebecca Smith

Not called 18

Mike Wood

Clause 4, page 4, line 3, leave out “Minister” and insert “First Tier Tribunal”

Clause agreed to.

Clause 5 agreed to.

Georgia Gould

Agreed to Gov 1

Clause 6, page 4, line 28, in column 1, after “Office” insert “, so far as relating to the Public Sector Fraud Authority”

Member's explanatory statement

This amendment limits the designation of the Cabinet Office as a relevant public authority for the purposes of Part 3 of the Investigatory Powers Act 2016 so that it is designated only so far as relating to the Public Sector Fraud Authority.

Clause, as amended, agreed to.

Clause 7 agreed to.

Schedule 1 agreed to.

Clauses 8 to 12 agreed to.

Fifth and Sixth Sittings

Clauses 13 to 21 agreed to.

Rebecca Smith

Withdrawn after debate 19

Mike Wood

Clause 22, page 14, line 27, leave out from “applies,” to “and” in line 28 and insert “the amounts credited to the account in the relevant period,”

Clause agreed to.

Clauses 23 to 33 agreed to.

Georgia Gould

Agreed to Gov 2

Clause 34, page 20, line 30, leave out from “review” to end of line 35

Member's explanatory statement

This amendment leaves out provision that is not needed; clause 29(5), (6) and (8) makes the necessary provision.

Clause, as amended, agreed to.

Clauses 35 to 40 agreed to.

Rebecca Smith

Withdrawn after debate 20

Mike Wood

Clause 41, page 25, line 16, leave out “40% of”

Clause agreed to.

Clauses 42 to 55 agreed to.

Seventh and Eighth Sittings

Clauses 56 to 63 agreed to.

Steve Darling

Negatived on division 31

John Milne

Clause 64, page 34, line 23, at end insert—

“(1A) Prior to appointing an independent person, the Minister must consult the relevant committee of the House of Commons.

(1B) For the purposes of subsection (1A), “the relevant committee” means a committee determined by the Speaker of the House of Commons.”

Member's explanatory statement

This amendment would ensure Parliamentary oversight of the appointment of the “Independent person”.

Clause agreed to.

Clauses 65 and 66 agreed to.

Georgia Gould

Agreed to Gov 3

Clause 67, page 36, line 10, leave out “disclosure, obtaining or use” and insert “processing”

Member's explanatory statement

This amendment clarifies that clause 67(3) applies in relation to all processing of information and makes it consistent with clause 67(1) and (2).

Clause agreed to.

Clauses 68 and 69 agreed to.

Schedule 2 agreed to.

Clauses 70 to 73 agreed to.

Clause 74 agreed to on division.

Steve Darling

Not selected 27

John Milne

Page 41, line 8, leave out Clause 74

Steve Darling

Negated on division 30

John Milne

Schedule 3, page 84, leave out line 12

Member's explanatory statement

This amendment would remove pension credit from being a 'relevant benefit' for the purposes of the Act.

Rebecca Smith

Not called 25

Mike Wood

Schedule 3, page 84, line 12, at end insert "(d) housing benefit"

Steve Darling

Negated on division 29

John Milne

Schedule 3, page 84, leave out lines 13 to 17

Member's explanatory statement

This amendment would mean remove the provision for regulations to change the list of qualifying benefits.

Siân Berry

Negated on division 35

Schedule 3, page 84, line 13, leave out from "to" to end of line 17 and insert "remove types of benefit from the definition of "relevant benefit"".

Member's explanatory statement

This amendment would mean that benefits could not be added to the list of “relevant benefits” by regulations.

Rebecca Smith

Not called 24

Mike Wood

Schedule 3, page 84, line 25, at end insert—

“or such an account which is held by a person appointed to receive benefits on behalf of another person.”

Steve Darling

Not selected 28

John Milne

Page 73, line 6, leave out Schedule 3

Schedule agreed to.

Ninth and Tenth Sittings

Steve Darling

Withdrawn after debate 37

John Milne

Clause 75, page 41, line 25, at end insert—

“(1A) Prior to appointing an independent person, the Minister must consult the relevant committee of the House of Commons.

(1B) For the purposes of subsection (1A), “the relevant committee” means a committee determined by the Speaker of the House of Commons.”

Member's explanatory statement

This amendment would ensure further oversight into the appointment of the “Independent person”.

Steve Darling

Not called 38

John Milne

Clause 75, page 41, line 29, leave out “person” and insert “board”

Member's explanatory statement

This amendment would replace the "independent person" with an independent board.

Steve Darling

Not called 39

John Milne

Clause 75, page 41, line 32, leave out "person" and insert "board"

Member's explanatory statement

This amendment is consequential on Amendment 38.

Steve Darling

Not called 40

John Milne

Clause 75, page 42, line 19, leave out subsection (7) and insert—

"The Secretary of State may by regulations appoint persons to, and confer functions upon, an independent board for the purposes of securing compliance with subsections (1) to (6)."

Member's explanatory statement

This amendment is related to Amendment 38.

Steve Darling

Not called 41

John Milne

Clause 75, page 42, line 23, leave out first "person" and insert "board"

Member's explanatory statement

This amendment is consequential on Amendment 38.

Steve Darling

Not called 42

John Milne

Clause 75, page 42, line 24, leave out "person" and insert "board"

Member's explanatory statement

This amendment is consequential on Amendment 38.

Clause agreed to.

Andrew Western

Agreed to Gov 34

Clause 76, page 43, line 38, leave out from “the individual” to end of line 1 on page 44 and insert “is an official of a government department and—”

Member's explanatory statement

This amendment clarifies that to be an authorised investigator an individual must be an official of a government department and be of the specified grade.

Clause, as amended, agreed to.

Clause 77 agreed to.

Andrew Western

Agreed to Gov 4

Schedule 4, page 91, line 28, after “item” insert “or material”

Member's explanatory statement

This amendment clarifies that paragraph 2(3) of new Schedule 3ZD of the Social Security Administration Act 1992 (as inserted by Schedule 4 of the Bill) applies in relation to any item or material.

Andrew Western

Agreed to Gov 5

Schedule 4, page 91, line 31, after “item” insert “or material”

Member's explanatory statement

This amendment clarifies that paragraph 2(4) of new Schedule 3ZD of the Social Security Administration Act 1992 (as inserted by Schedule 4 of the Bill) applies in relation to any item or material.

Andrew Western

Agreed to Gov 33

Schedule 4, page 93, line 32, leave out from “individual” to end of line 33 and insert “is an official of a government department and—”

Member's explanatory statement

This amendment clarifies that to be an authorised investigator an individual must be an official of a government department and be of the specified grade.

Schedule, as amended, agreed to.

Clauses 78 to 88 agreed to.

Neil Duncan-Jordan**Not moved 45**

Clause 89, page 54, line 35, at end insert “except where such amounts have been paid to a person as a result of error on the part of the paying party.”

Member's explanatory statement

This amendment would mean that overpayments made as a result of error by the Department of Work and Pensions do not count as recoverable amounts.

Siân Berry**Withdrawn after debate 7**

Clause 89, page 55, line 6, leave out from “unless” to the end of line 14 and insert—

- “(a) the liable person agrees, or
- (b) there has been a final determination by a court or tribunal that it is necessary and proportionate to exercise a power under Schedule 3ZA.”

Member's explanatory statement

This amendment would mean that the Secretary of State can only exercise powers to recover amounts from a person where the person agrees or where a court or tribunal has determined that such recovery is necessary and appropriate.

Clause agreed to.

Clause 90 agreed to.

Siân Berry**Withdrawn after debate 8**

Schedule 5, page 98, line 10, leave out from beginning to end of line 24 on page 99

Member's explanatory statement

This amendment would remove the requirement for banks to provide information to the Secretary of State for the purposes of making a direct deduction order.

Neil Duncan-Jordan

Not moved 43

Schedule 5, page 100, line 3, at end insert—

“Investigation of direct deduction orders

- 4A (1) Before making a direct deduction order, the Secretary of State must give the liable person the opportunity to request mandatory reconsideration of the decision to make such an order.
- (2) The mandatory reconsideration process must review whether it is appropriate that the order be made.
- (3) Where the mandatory reconsideration process concludes that the order should be made, the liable person is able, within two months of the completion of the mandatory reconsideration process, to appeal to the First Tier Tribunal.
- (4) On appeal by the liable person, the tribunal must review whether it is appropriate that the order be made.
- (5) The Secretary of State may not make a direct deduction order where—
- (a) the mandatory reconsideration process has not concluded;
 - (b) the period within which the liable person can appeal has not concluded;
 - (c) an appeal against the decision of the mandatory reconsideration process has not been concluded; or
 - (d) a decision that the order should not be made has been determined by either the mandatory reconsideration process or the tribunal.”

Member's explanatory statement

This amendment would enable a liable person to request mandatory reconsideration of a decision to make a direct deduction order, and to appeal any further decision.

Rebecca Smith

Withdrawn after debate 48

Mike Wood

Schedule 5, page 101, line 17, leave out from “exceed” to the end of line 18 and insert—

- “(a) in a case to which sub-paragraph (3A) applies, the amounts credited to the account in the relevant period, or
 - (b) in any other case, 20% of the amounts credited to the account in the relevant period.
- (3A) This subsection applies in a case where the Minister is satisfied, on the balance of probabilities, that the payable amount to which the regular direct deduction order related is recoverable from the liable person because the liable person committed fraud.”

Neil Duncan-Jordan

Not moved 47

Schedule 5, page 102, line 11, leave out from “may” to the end of line 13 and insert “only deduct the costs to which they are entitled under a direct deduction order once—

- (a) the ability of the liable person to meet these costs has been verified, and
- (b) a final decision as to whether to make the order has been reached, by virtue of—
 - (i) the liable person not requesting mandatory reconsideration of the decision to make the order;
 - (ii) the elapsing of any period within which the liable person can appeal a decision to make the order; or
 - (iii) an appeal against a decision to make the order has been concluded with a decision that the order should be made.”

Member's explanatory statement

This amendment would mean that a bank can only recover its administrative costs after the ability of the liable person to meet such costs has been verified.

Neil Duncan-Jordan

Not moved 46

Schedule 5, page 102, line 16, at end insert—

- “(4) Where recoverable amounts have been paid to a person as a result of error on the part of the paying party, the bank’s administrative costs—
- (a) may not be recovered from the account of the liable person; and
 - (b) must only be recovered by the bank from the paying party.”

Andrew Western

Agreed to Gov 6

Schedule 5, page 107, line 2, leave out from “review” to end of line 7

Member's explanatory statement

This amendment leaves out provision that is not needed; paragraph 13(5), (6) and (8) of new Schedule 3ZA of the Social Security Administration Act 1992 (as inserted by Schedule 5 of the Bill) makes the necessary provision.

Rebecca Smith

Not called 22

Mike Wood

Schedule 5, page 110, line 29, at end insert “to which paragraph 6(3A) does not apply”

Schedule, as amended, agreed to.

Clause 91 agreed to.

Schedule 6 agreed to.

Adjourned until Thursday at 11.30am

Glossary

Added: New Clause agreed without a vote and added to the Bill.

Agreed to: agreed without a vote.

Agreed to on division: agreed following a vote.

Negated: rejected without a vote.

Negated on division: rejected following a vote.

Not called: debated in a group of amendments, but not put to a decision.

Not moved: not debated or put to a decision.

Not selected: not chosen for debate by the Chair.

Question proposed: debate underway but not concluded.

Withdrawn after debate: moved and debated but then withdrawn, so not put to a decision.