

Welfare Reform and Work Bill

SECOND
MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
ON REPORT

The amendments have been marshalled in accordance with the Order of 21st January 2016, as follows –

Schedule 1	Clauses 26 to 35
Clauses 11 to 25	Title
Schedule 2	

[Amendments marked ★ are new or have been altered]

**Amendment
No.**

Clause 11

THE LORD BISHOP OF PORTSMOUTH
BARONESS SHERLOCK
BARONESS MEACHER

- 35 Page 13, line 12, at end insert “, or
(c) an exception applies under section 10(4A) of the Welfare Reform Act 2012, as inserted by section 12 of the Welfare Reform and Work Act 2016”

Clause 12

THE LORD BISHOP OF PORTSMOUTH
BARONESS SHERLOCK
BARONESS MANZOOR
BARONESS MEACHER

- 36 Page 13, line 19, leave out “(4)” and insert “(4A)”
- 37 Page 13, line 21, leave out “But” and insert “Provided that no exception under subsection (4A) applies,”

Amendment
No.

Clause 12 – *continued*

38

Page 13, line 27, at end insert –

“(4A) After subsection (4) insert –

“(4A) For the purposes of subsection (1A), and of section 9(3A) and (3B) of the Tax Credits Act 2002 (maximum rate of child tax credit), an exception applies if –

- (a) the claimant responsible for children in the household is a single claimant as a result of being bereaved of their partner,
- (b) the claimant has fled their previous partner as a result of domestic abuse,
- (c) the child or qualifying young person has a disability,
- (d) the child or qualifying young person is in the household as a result of a kinship care arrangement, private fostering arrangement, or adoption, or
- (e) the claimant was previously entitled to an award for the child or qualifying young person and has re-partnered creating a household with more than two children.”

39

[*Withdrawn*]

After Clause 12

BARONESS SHERLOCK
BARONESS DRAKE

40

Insert the following new Clause –

“Exemptions to the two child limit

Sections 11 and 12 of this Act shall not apply where a third or subsequent child becomes a member of a household as a result of being adopted into that household or becomes a member of a household as a result of a kinship care arrangement.”

Clause 13

LORD LOW OF DALSTON
BARONESS MEACHER
LORD MCKENZIE OF LUTON
BARONESS MANZOOR

41

Leave out Clause 13

Amendment
No.

After Clause 13

BARONESS HOWE OF IDLICOTE

42 Insert the following new Clause –

“Persons subject to no work-related requirements: persons with a mental and behavioural disorder as a primary medical condition

- (1) Section 11D of the Welfare Reform Act 2007 (persons subject to no work-related requirements) is amended as follows.
- (2) After subsection (2)(d) insert –
 - “(e) the person has a mental and behavioural disorder as a primary medical condition and is in receipt of either the work-related activity component of employment and support allowance or the limited capability for work element of universal credit.””

LORD LAYARD

43 Insert the following new Clause –

“Employment and support allowance: persons with a mental or behavioural disorder as a primary medical condition

The Secretary of State shall establish a system by which any person with a mental or behavioural disorder as a primary medical condition who is awarded employment and support allowance shall, on being awarded that allowance, be immediately encouraged and assisted to be referred for assessment and treatment for that condition.”

Clause 14

LORD LOW OF DALSTON
BARONESS SHERLOCK
BARONESS MEACHER
BARONESS MANZOOR

44 Leave out Clause 14

Clause 15

BARONESS LISTER OF BURTERSETT
BARONESS MANZOOR

44A★ Page 14, line 30, at end insert –

“() in section 14 (claimant commitment) after subsection (5) insert –

- “(6) In preparing a claimant commitment for a claimant, the Secretary of State shall have regard (so far as is practicable) to its impact on the wellbeing of any child who may be affected by it.””

Amendment
No.

After Clause 15

BARONESS MANZOOR

45 Insert the following new Clause –

“Universal Credit (Work Allowance)

The Universal Credit (Work Allowance) Amendment Regulations 2015 are repealed.”

BARONESS MEACHER

46 Insert the following new Clause –

“Direct payments to claimants

- (1) Regulations made by the Secretary of State under section 5 of the Social Security Administration Act 1992 (claims and payments regulations) must provide for the payment of the housing costs element of an award of universal credit to the landlord where the claimant requests such payment to be made to the landlord.
- (2) In this section –
 - “landlord” means the person who is entitled to payment of rent for the occupation of the accommodation occupied by the claimant as his or her home;
 - “rent” includes the license or similar payment for the use and occupation of the accommodation.”

BARONESS SHERLOCK
BARONESS HOLLIS OF HEIGHAM

46A★ Insert the following new Clause –

“Universal Credit (Work Allowance) (No. 2)

- (1) Within one year of the coming into effect of the Universal Credit (Work Allowance) Amendment Regulations 2015, the Secretary of State shall publish, and lay before each House of Parliament, a report assessing the impact of those Regulations on work incentives.
- (2) The report prepared under subsection (1) must contain data analysis of –
 - (a) income and hours worked, by household type, and
 - (b) the impact of the regulations on the levels of awards of in-work support payable to claimants who have moved from tax credits to universal credit as a result of a change of circumstances, or claimants who will move from tax credits to universal credit as a result of a change of circumstances before 2018.”

Amendment
No.

After Clause 15 – continued

BARONESS MANZOOR

46B★ Insert the following new Clause –

“Housing benefit: age of entitlement

In section 130 of the Social Security Contributions and Benefits Act 1992 after subsection (1)(a) insert –

“(aa) he is aged 16 or over.”

46C★ Insert the following new Clause –

“Application of sanctions and disallowances to Jobseeker’s Allowance

- (1) The Jobseeker’s Allowance Regulations 1996 are amended as follows.
- (2) After regulation 22 insert –

“Treatment of people found not to be actively seeking employment or available for employment

22A. The Secretary of State shall, by regulations, provide that the payment of housing benefit to a person in receipt of a jobseeker’s allowance shall not cease solely because that person’s award of a jobseeker’s allowance is reduced in accordance with regulations made under section 19B of the Jobseekers Act 1995 (claimants ceasing to be available for employment etc), including for a period during which the claimant ceased to be entitled to a jobseeker’s allowance by failing to comply with the condition in section 1(2)(a) or (c) of the Jobseekers Act 1995 (availability for employment and actively seeking employment), without other due cause.”

- (3) In regulation 69B, omit paragraph (7).
- (4) In regulation 70 –
 - (a) for paragraph (1)(a) substitute –

“(a) in any benefit week, 100% of the allowance payable to the claimant, minus the sum of 10 pence; or”;
 - (b) in sub-paragraph (1)(b)(i), omit from “100%” to the first “couple” and insert “in any benefit week, 100% of the allowance payable to the couple, minus the sum of 10 pence”; and
 - (c) after paragraph (3) insert –

“(4) The amount referred to in paragraph (3) may not reduce, in any benefit week, the amount of a jobseeker’s allowance payable to the claimant to less than the sum of 10 pence.””

46D★ Insert the following new Clause –

“Review into the impact of sections 7 to 15

- (1) Within three years of the passing of this Act, the Secretary of State must lay before both Houses of Parliament a report on the impact of sections 7 to 15 on –
 - (a) mental health among those affected by the provisions of sections 7 to 15,
 - (b) child poverty, and

Amendment
No.

After Clause 15 – *continued*

- (c) the wellbeing of children in households affected by the provisions of sections 7 to 15.
- (2) Where the report under subsection (1) finds that the impact of sections 7 to 15 has been detrimental within any of the areas set out in subsection (1), it must contain recommendations by the Secretary of State for changes that should be made to resolve the detrimental impacts.”

Clause 16

BARONESS SHERLOCK
LORD MCKENZIE OF LUTON

- 46E★** Page 15, line 33, leave out from “section” to end of line 34 and insert “may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.”

After Clause 16

BARONESS SHERLOCK
LORD MCKENZIE OF LUTON

- 46F★** Insert the following new Clause –

“Grants for mortgage interest etc.

- (1) Section 16 does not apply to an individual who is in receipt of pension credit.
- (2) The Secretary of State shall by regulations provide for grants to be made for claimants in receipt of pension credit, in respect of a person’s liability to make owner-occupier payments in respect of accommodation occupied by the person as the person’s home.
- (3) Regulations made under subsection (2) may make provision about eligibility to receive a grant, including outlining the number of weeks a person must wait after the need arises in order to apply for a grant, which must be no longer than 13 weeks.
- (4) Regulations under this section may make different provision for different purposes.
- (5) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.”

**Amendment
No.**

Clause 18

LORD FREUD

- 47** Page 17, line 36, at end insert –
- “() In section 170 of the Social Security Administration Act 1992 (Social Security Advisory Committee), in subsection (5) –
- (a) in the definition of “the relevant enactments”, after paragraph (an) insert –
- “(ao) sections 16, 17 and 19 of the Welfare Reform and Work Act 2016;”;
- (b) in the definition of “the relevant Northern Ireland enactments”, after paragraph (an) insert –
- “(ao) any provisions in Northern Ireland which correspond to sections 16, 17 and 19 of the Welfare Reform and Work Act 2016;”.
- 48** Page 17, line 36, at end insert –
- “() In section 2 of the Social Security Act 1998 (use of computers), in subsection (2) –
- (a) omit the “or” after paragraph (m);
- (b) after paragraph (n) insert “or
- (o) sections 16 to 19 of the Welfare Reform and Work Act 2016.”
- () In section 8 of the Social Security Act 1998 (decisions by Secretary of State) –
- (a) in subsection (3) (meaning of “relevant benefit”), after paragraph (bb) insert –
- “(bc) a loan under section 16 of the Welfare Reform and Work Act 2016;”;
- (b) in subsection (4) (meaning of “relevant enactment”), for “or section 30 of that Act” substitute “, section 30 of that Act or sections 16 to 19 of the Welfare Reform and Work Act 2016”.
- () In section 11 of the Social Security Act 1998 (regulations with respect to decisions), in subsection (3), in the definition of “the current legislation”, for “and section 30 of that Act” substitute “, section 30 of that Act and sections 16 to 19 of the Welfare Reform and Work Act 2016”.
- () In section 28 of the Social Security Act 1998 (correction of errors and setting aside of decisions), in subsection (3) –
- (a) omit the “or” after paragraph (i);
- (b) after paragraph (j) insert “; or
- (k) sections 16 to 19 of the Welfare Reform and Work Act 2016.”
- () In section 39 of the Social Security Act 1998 (interpretation etc of Chapter 2 of Part 1), after subsection (1) insert –
- “(1A) In this Chapter –
- (a) a reference to a benefit includes a reference to a loan under section 16 of the Welfare Reform and Work Act 2016;

Amendment
No.

Clause 18 – *continued*

- (b) a reference to a claim for a benefit includes a reference to an application for a loan under section 16 of the Welfare Reform and Work Act 2016;
- (c) a reference to a claimant includes a reference to an applicant for a loan under section 16 of the Welfare Reform and Work Act 2016 or, in relation to a couple jointly applying for a loan under that section, a reference to the couple or either member of the couple;
- (d) a reference to an award of a benefit to a person includes a reference to a decision that a person is eligible for a loan under section 16 of the Welfare Reform and Work Act 2016;
- (e) a reference to entitlement to a benefit includes a reference to eligibility for a loan under section 16 of the Welfare Reform and Work Act 2016.”

49 Page 17, line 41, at end insert –

“() In section 131 of the Welfare Reform Act 2012 (information-sharing in relation to welfare services etc), in subsection (12), in the definition of “relevant social security benefit” for the words from “has” to the end substitute “means –

- (a) a relevant social security benefit as defined in section 121DA(7) of the Social Security Administration Act 1992, or
- (b) a loan under section 16 of the Welfare Reform and Work Act 2016 (loans for mortgage interest etc);”

Clause 22

LORD BEST
LORD MCKENZIE OF LUTON
LORD SHIPLEY

50 Page 21, line 8, at end insert –

- “(c) the accommodation is owned by a fully mutual housing co-operative within the meaning of paragraph 12(1)(h) of Schedule 1 to the Housing Act 1988 (local authority tenancies etc);
- (d) the accommodation is owned by a community land trust within the meaning of section 79 of the Housing and Regeneration Act 2008 (English bodies).”

LORD BEST
LORD MCKENZIE OF LUTON
LORD SHIPLEY
LORD KERSLAKE

51 Page 21, line 45, at end insert –

“() Section 21 does not apply to social housing which meets the definition of supported housing as defined in The Housing Benefit and Universal Credit (Supported Accommodation) (Amendment) Regulations 2014 (S.I. 2014/771).”

Amendment
No.

Clause 22 – continued

LORD RAMSBOTHAM
LORD BEST

52 Page 21, line 45, at end insert –

“() Section 21 does not apply in relation to a registered provider of social housing which is an almshouse charity.”

After Clause 23

LORD KERSLAKE
BARONESS MEACHER
LORD BEST

53 Insert the following new Clause –

“Independent review of social housing rents from 1 April 2020

Before any decisions are made about the setting of rents for social housing from 1 April 2020, the Secretary of State shall commission and publish an independent review assessing the impact of sections 21 to 23.”

Clause 24

LORD FREUD

54 Page 23, line 42, at end insert –

“(b) regulations under section 26 of that Act, or
(c) Part 1 of Schedule 2 to that Act.””

55 Page 24, line 3, at end insert –

“(b) regulations under section 26 of that Act, or
(c) Part 1 of Schedule 2 to that Act.””

56 Page 24, line 7, at end insert –

“(b) regulations under section 26 of that Act, or
(c) Part 1 of Schedule 2 to that Act.””

57 Page 24, line 11, at end insert –

“(ii) regulations under section 26 of that Act, or
(iii) Part 1 of Schedule 2 to that Act.””

58 Page 24, line 15, at end insert –

“(ii) regulations under section 26 of that Act, or
(iii) Part 1 of Schedule 2 to that Act.””

59 Transpose Clause 24 to after Clause 28

Amendment
No.

After Clause 24

BARONESS MANZOOR

59A★ Insert the following new Clause –

“Housing costs in the private rented sector and levels of local housing allowance

The Secretary of State must, at a time no later than the end of the financial year ending March 2017 and at least once during the course of each of the subsequent four financial years, commission an independent analysis reviewing the relationship between housing costs in the private rented sector and levels of local housing allowance.”

Clause 25

LORD FREUD

60 Page 24, line 21, leave out “, exemptions and enforcement” and insert “and exemptions”

Schedule 2

LORD KERSLAKE
BARONESS MEACHER
LORD BEST

61 Page 32, line 26, at end insert –

“() The registered provider must have regard to the Rent Standard Guidance in calculating social rents for new properties and shall have discretion to adjust those rents to reflect appropriately local factors through an increase of up to 5 per cent of formula rents, and up to 10 per cent of formula rents for supported housing.”

LORD FREUD

62 Page 32, line 40, leave out sub-paragraphs (i) to (iii) and insert –

- “(i) was payable at the beginning of 8 July 2015 by the person who was the tenant of that social housing, in a case where 8 July 2015 is the relevant day,
- (ii) was payable at the beginning of the relevant day by the person who was the tenant of that social housing, in a case where the relevant day falls after 8 July 2015 and the person who was the tenant at the beginning of 8 July 2015 continued as tenant until at least that later time,
- (iii) is likely to have been payable at the beginning of the relevant day by the person who was the tenant at the beginning of 8 July 2015 if the person’s tenancy had continued until at least that later time, in a case where the relevant day falls after 8 July 2015 and the person who was the tenant at the beginning of 8 July 2015 ceased to be the tenant before that later time, or

Amendment
No.

Schedule 2 – *continued*

- (iv) is likely to have been payable at the beginning of the relevant day by a tenant of that social housing, in a case where there was no tenant at that time and sub-paragraph (iii) does not apply,”

LORD KERSLAKE
BARONESS MEACHER
LORD BEST

63 Page 33, line 11, at end insert –

- “() The registered provider must have regard to the Rent Standard Guidance in calculating affordable rents for new properties and shall have discretion to adjust those rents to reflect appropriately local factors through an increase of up to 5 per cent of formula rents, and up to 10 per cent of formula rents for supported housing.”

LORD FREUD

64 Page 33, line 20, leave out sub-paragraphs (7) and (8) and insert –

- “(6A) The Secretary of State may by regulations define “formula rent” and may, in particular, provide that it is a rent set in accordance with a method specified in the regulations.

(6B) Regulations under sub-paragraph (6A) may, in particular, make provision by reference to –

- (a) the standard published in January 2015 by the regulator under section 194(2A) of the Housing and Regeneration Act 2008 (the powers of the regulator to set standards relating to levels of rent),
(b) *Rent Standard Guidance* published in January 2015 by the regulator, or
(c) *Guidance on Rents for Social Housing* published in May 2014 by the Secretary of State.”

65 Page 34, line 17, leave out sub-paragraph (6)

66 Page 34, line 26, leave out from beginning to end of line 30 and insert “the higher of –

- (a) the amount found by –
(i) determining the rate of the market rent for that social housing when the tenancy begins, and
(ii) determining the amount that is 80% of the amount that would be payable in respect of a year if that rate had applied during the year, and
(b) the amount that would be payable in respect of the first relevant year if the tenant were paying rent at the social rent rate.”

67 Page 34, line 40, leave out from “is” to end of line 44 and insert “the higher of the amounts described in sub-paragraph (3A).”

Amendment No.	Schedule 2 – continued
68	<p>Page 34, line 44, at end insert –</p> <p>“(3A) The amounts referred to in sub-paragraph (3) are –</p> <ul style="list-style-type: none"> (a) the amount found by – <ul style="list-style-type: none"> (i) determining the rate of the market rent for that social housing when the tenancy begins, (ii) determining the amount that is 80% of the amount that would be payable in respect of a year if that rate had applied during the year, and (iii) (if necessary) reducing that amount in proportion to the part of that relevant year that elapsed before the tenancy begins, and (b) the amount that would be payable in respect of the period in question if the tenant were paying rent at the social rent rate.”
69	<p>Page 35, line 31, at end insert –</p> <p>“() an arrangement between a local authority and the Homes and Communities Agency, the Greater London Authority or the Secretary of State under which rents for social housing may be set on a particular basis.”</p>
70	<p>Page 35, line 32, leave out sub-paragraphs (5) and (6) and insert –</p> <p>“(4A) Regulations under sub-paragraph (2) may define “affordable rent” and may, in particular, provide that it is a rent set in accordance with a method specified, or of a description specified, in the regulations.</p> <p>(4B) The methods that may be specified in the regulations include, but are not limited to, methods that provide for a maximum level of rent when accommodation is initially let to be a certain percentage of market rent in certain cases or circumstances.”</p>
71	<p>Page 35, line 41, at end insert –</p> <p>“() A reference to an amount of market rent includes a reference to an amount payable by way of service charge.”</p>
72	<p>Page 37, line 26, at end insert –</p> <p>“() a direction that Part 1 is to have effect in relation to a private registered provider specified in the direction as if a reference in Part 1 to the social rent rate were a reference to that rate increased by the percentage specified in the direction;”</p>
73	<p>Page 38, line 12, at end insert –</p> <p>“() a direction that Part 1 is to have effect in relation to a local authority specified in the direction as if a reference in Part 1 to the social rent rate were a reference to that rate increased by the percentage specified in the direction;”</p>
74	Page 38, line 38, leave out paragraph 7
75	Page 39, line 9, after “1(5)(a)(iii)” insert “or (iv)”
76	Page 39, line 10, leave out “the beginning of 8 July 2015” and insert “a particular time”

**Amendment
No.**

Clause 26

LORD FREUD

- 77 Page 24, line 43, at end insert –
- “(3A) Regulations made by virtue of subsection (3) may, in particular, provide for section 21 or Part 1 of Schedule 2 to have effect with modifications.
- (3B) The modifications that may be made by virtue of subsection (3A) include (but are not limited to) modifications that –
- (a) provide for the maximum amount of rent to be increased from year to year by no more than a percentage specified in the regulations;
 - (b) provide for the maximum amount of rent to be determined by disregarding the effect of a temporary reduction or waiver of rent;
 - (c) provide for the maximum amount of rent to be determined by reference to a different period;
 - (d) provide for section 21(1) or paragraph 1(4)(c) or (5)(c) or 3(4) of Schedule 2 to have effect as if it referred to a different percentage;
 - (e) provide for paragraph 1, 2 or 3 of Schedule 2 to have effect as if the social rent rate were uplifted by a percentage specified in the regulations;
 - (f) provide for paragraph 3(2) or (3) of Schedule 2 to have effect as if paragraph 3(2)(a)(ii) or (3A)(a)(ii) referred to a different percentage;
 - (g) provide for the maximum amount of rent to be determined by reference to what would have been the amount if an exception in regulations under section 22 or paragraph 5(5) of Schedule 2 (including an exception making such provision as is described in section 22(7) or paragraph 5(7)) had not applied.
- (3C) Regulations made by virtue of subsection (3B)(d) may not provide for a higher percentage to have effect.
- (3D) Regulations made by virtue of subsection (3B)(e) may, in particular, make provision in relation to cases where an exception in regulations under paragraph 5(5) of Schedule 2 making provision about social housing which satisfies conditions prescribed by the regulations as to design, facilities, use or the provision of support to tenants applies.
- (3E) Regulations under subsection (1) may not provide for a maximum amount of rent payable by a tenant of social housing in respect of a relevant year, or a part of a relevant year, which is less than the amount that would be payable by the tenant in respect of that period if the rent was payable at the social rent rate in that period, in a case where an exception in regulations under paragraph 5(5) of Schedule 2 applies.”

78 Page 25, line 15, leave out subsection (8)

Clause 31

LORD FREUD

79 Page 27, leave out lines 33 and 34

80 Page 28, line 10, at end insert –
 ““social rent rate” has the meaning given by Schedule 2;”

Amendment
No.

Clause 31 – continued

- 81** Page 28, line 34, at end insert –
- “() In determining the maximum amount of rent payable by a person who is a tenant of social housing for part of a relevant year, a fraction of a day during which the person is a tenant of that social housing is to be treated as a whole day during which the person is a tenant of that social housing.”
- 82** Page 28, line 37, leave out from beginning to “does” in line 40 and insert –
- “(a) in a case where the maximum amount applying under regulations under section 26 or Part 1 of Schedule 2 is determined on a basis that treats an amount, or a description of an amount, payable by way of service charge as part of the rent payable, includes a reference to an amount, or an amount of that description, payable by way of service charge,
 - (b) in a case where section 21 applies after regulations under section 26 have, or Part 1 of Schedule 2 has, applied a maximum amount determined on a basis that treats an amount, or a description of an amount, payable by way of service charge as part of the rent payable, includes a reference to an amount, or an amount of that description, payable by way of service charge,
 - (c) in a case not falling within paragraph (a) or (b) where, under the terms of the lease or agreement, an amount, or a description of an amount, payable by way of service charge is part of the rent payable, includes a reference to an amount, or an amount of that description, payable by way of service charge, and
 - (d) in any other case,”

In the Title

LORD FREUD

- 83** Line 5, after “interest” insert “and other liabilities”

Welfare Reform and Work Bill

SECOND
MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
ON REPORT

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