

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

ANNEX A
TEXT OF SECTIONS 110 TO 111 OF SOCIAL SECURITY
ADMINISTRATION ACT 1992 AS AMENDED

(This extract has no authoritative status. Text to be inserted by this Bill appears in italics. Text to be removed by this Bill appears struck out. See paragraph 101 of the Notes.)

Inspection and offences

Appointment and powers of inspectors.

110.-(1) For the purposes of the Acts to which this section applies the Secretary of State may appoint such inspectors, and pay to them such salaries or remuneration, as he may determine with the consent of the Treasury.

(2) An inspector appointed under this section shall, for the purposes of the execution of those Acts have the following powers-

(a) to enter at all reasonable times any premises liable to inspection under this section;

(b) to make such examination and inquiry as may be necessary-

(i) for ascertaining whether the provisions of the Acts are being, or have been, complied with in any such premises; or

(ii) for investigating the circumstances in which any accident, injury or disease which has given or may give rise to a claim for industrial injuries benefit, or for any benefit which is a relevant benefit, occurred or may have occurred, or was or may have been received or contracted;

(c) to examine, either alone or in the presence of any other person, as he thinks fit, in relation to any matters under the Acts on which he may reasonably require information, every person whom he finds in any such premises or whom he has reasonable cause to believe to be or to have been a person liable to pay-

(i) ~~contributions; or~~

(ii) ~~a [contributions equivalent premium];~~

or

(iii) a compensation payment or a [payment to the Secretary of State under section 6 of the Social Security (Recovery of Benefits) Act 1997],

and to require every such person to be so examined;

(d) to exercise such other powers as may be necessary for carrying the Acts into effect.

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

(3) The premises liable to inspection under this section are any where an inspector has reasonable grounds for supposing that-

- (a) any persons are employed; or
- (b) there is being carried on any agency or other business for the introduction or supply to persons requiring them of persons available to do work or to perform services; or
- (c) a personal or occupational pension scheme is being administered; or
- (d) any person-
 - (i) who [makes a compensation payment in consequence of] any such accident, injury or disease as is referred to in subsection (2)(b)(ii) above; or
 - (ii) on whose behalf [such a compensation payment has been, may have been, or may be, paid],carries on business or is to be found,

but do not include any private dwelling-house not used by, or by permission of, the occupier for the purposes of a trade or business.

(4) Every inspector shall be furnished with a certificate of his appointment, and on applying for admission to any premises for the purpose of the Acts shall, if so required, produce the certificate.

(5) *Where any premises-*

(a) are liable to be inspected-

(i) by an officer of the Inland Revenue under section 110ZA below or any other enactment, or

(ii) by an inspector or officer appointed or employed by some other government department, or

(b) are under the control of the Inland Revenue or some other government department,

the Secretary of State may make arrangements with the Inland Revenue or that other department for any of the powers or duties of inspectors under this section to be carried out by an inspector or officer employed by the Inland Revenue or that other department.

(6) In accordance with this section, persons shall furnish to an inspector all such information, and produce for his inspection all such documents, as he may reasonably require for the purpose of ascertaining-

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

- (a) whether-
- (i) any contribution; or
 - (ii) ~~any [contributions equivalent premium];~~ or
 - (iii) any compensation payment or [payment to the Secretary of State under section 6 of the Social Security (Recovery of Benefits) Act 1997],
- is or has been payable, or has been duly paid, by or in respect of any person; or

- (b) whether benefit is or was payable to or in respect of any person.

(7) The following persons are under the duty imposed by subsection (6) above-

- (a) the occupier of any premises liable to inspection under this section;
- (b) any person who is or has been an employer or an employee within the meaning of any provision of the Contributions and Benefits Act;
- (c) any person carrying on an agency or other business for the introduction or supply to persons requiring them of persons available to do work or to perform services;
- (d) any person who is or has at any time been a trustee or manager of a personal or occupational pension scheme;
- (e) any person who is or has been liable-
 - (i) ~~to pay contributions or [contributions equivalent premiums];~~ or
 - (ii) to make any compensation payment or [payment to the Secretary of State under section 6 of the Social Security (Recovery of Benefits) Act 1997];
- (f) the servants or agents of any such person as is specified in any of the preceding paragraphs,

but no one shall be required under this section to answer any questions or to give evidence tending to incriminate himself or, in the case of a person who is married, his or her spouse.

(8) This section applies to the following Acts-

- (a) the Social Security Act 1973;
- (b) the Contributions and Benefits Act *except so far as relating to contributions, statutory sick pay or statutory maternity pay;*
- (c) this Act;
- [(d) the Social Security Pensions Act 1975;

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

(e) the Pensions Act] *except Part III of that Act*

(f) the Social Security (Recovery of Benefits) Act 1997.

[(9) In this section "compensation payment" and "listed benefit" have the same meaning as in the Social Security (Recovery of Benefits) Act 1997.]

Appointment of inspectors by authorities

110A. [This section relates to the powers of inspectors and is not amended by the Bill.]

Powers exercisable by officers of Inland Revenue.

110ZA.-(1) *For the purposes of the enactments to which this section applies, the Inland Revenue may authorise any of their officers to exercise the powers conferred by this section.*

(2) *An officer authorised under this section shall, for the purposes of the execution of those enactments have the following powers-*

(a) *to enter at all reasonable times any premises liable to inspection under this section;*

(b) *to make such examination and inquiry as may be necessary for ascertaining whether the provisions of the enactments are being, or have been, complied with in any such premises;*

(c) *to examine, either alone or in the presence of any other person, as he thinks fit, in relation to any matters under the enactments on which he may reasonably require information, every person whom he finds in any such premises or whom he has reasonable cause to believe to be or to have been a person liable to pay-*

(i) contributions; or

(ii) a contributions equivalent premium,

and to require every such person to be so examined.

(3) *The premises liable to inspection under this section are any where an officer has reasonable grounds for supposing that-*

(a) *any persons are employed; or*

(b) *there is being carried on any agency or other business for the introduction or supply to persons requiring them of persons available to do work or to perform services; or*

(c) *a personal or occupational pension scheme is being administered,*

but do not include any private dwelling-house not used by, or by permission of, the occupier for the purposes of a trade or business.

(4) *Every officer authorised under this section shall be furnished with a certificate of his authorisation, and on applying for admission to any premises for the purpose of the enactments shall, if so required, produce the authorisation.*

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

(5) In accordance with this section, persons shall furnish to an officer all such information, and produce for his inspection all such documents, as he may reasonably require for the purpose of ascertaining-

(a) whether-

(i) any contribution; or

(ii) any contributions equivalent premium, is or has been payable, or has been duly paid, by or in respect of any person; or

(b) whether statutory sick pay or statutory maternity pay is or was payable to or in respect of any person.

(6) The following persons are under the duty imposed by subsection (5) above-

(a) any person who is or has been an employer or an employee within the meaning of any provision of the Contributions and Benefits Act;

(b) any person carrying on an agency or other business for the introduction or supply to persons requiring them of persons available to do work or to perform services;

(c) any person who is or has at any time been a trustee or manager of a personal or occupational pension scheme;

(d) the servants or agents of any such person as is specified in any of the preceding paragraphs.

(7) This section applies to the following enactments-

(a) the Contributions and Benefits Act so far as relating to contributions, statutory sick pay or statutory maternity pay;

(b) this Act; and

(c) Part III of the Pensions Act.

(8) Any reference in this section to a contributions equivalent premium includes a reference to state scheme premiums payable before 6th April 1997 (the day on which section 141 of the Pensions Act 1995 came into force).

Delay, obstruction etc. of inspector.

111.-(1) If a person-

(a) intentionally delays or obstructs an inspector in the exercise of any power under this Act other than an Inland Revenue power; or

(b) refuses or neglects to answer any question or to furnish any information or to produce any document when required to do so under this Act otherwise than in the exercise of an Inland Revenue power,

he shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale.

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

(2) Where a person is convicted of an offence under subsection (1)(b) above and the refusal or neglect is continued by him after his conviction, he shall be guilty of a further offence and liable on summary conviction to a fine not exceeding £40 for each day on which it is continued.

(3) *In subsection (1) "Inland Revenue power" means any power conferred on an officer of the Inland Revenue by section 110ZA above or by virtue of section 110(5) above.*

(4) *Where by virtue of section 110(5) above any power conferred by section 110 above is exercised by an officer of the Inland Revenue, section 98 of the Taxes Management Act 1970 shall apply as if the reference in that section to section 110ZA above included a reference to section 110 above.*

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

ANNEX B
TEXT OF SECTIONS 121E TO 122E OF SOCIAL SECURITY
ADMINISTRATION ACT 1992 AS AMENDED

(This extract has no authoritative status. Text to be inserted by this Bill appears in italics. Text to be removed by this Bill appears struck out. See paragraph 131 of the Notes.)

Information relating to, or required for purposes of, contributions, statutory sick pay or statutory maternity pay

Supply of contributions etc. information held by Inland Revenue.

121E.*-(1) This section applies to information which is held for the purposes of functions relating to contributions, statutory sick pay or statutory maternity pay-*

(a) by the Inland Revenue, or

(b) by a person providing services to them, in connection with the provision of those services.

(2) Information to which this section applies may, and must if an authorised officer so requires, be supplied-

(a) to the Secretary of State or the Northern Ireland Department,
or

(b) to a person providing services to the Secretary of State or the Northern Ireland Department,

for use for the purposes of functions relating to social security, child support or war pensions.

(3) In subsection (2) "authorised officer" means an officer of the Secretary of State or the Northern Ireland Department authorised for the purposes of this section by the Secretary of State or the Northern Ireland Department.

Supply to Inland Revenue for purposes of contributions etc. of information held by Secretary of State.

121F.*-(1) This section applies to information which is held for the purposes of functions relating to social security, child support or war pensions-*

(a) by the Secretary of State or the Northern Ireland Department,
or

(b) by a person providing services to the Secretary of State or the Northern Ireland Department, in connection with the provision of those services.

(2) Information to which this section applies may, and must if an officer of the Inland Revenue authorised by the Inland Revenue for the purposes of this section so requires, be supplied-

(a) to the Inland Revenue, or

(b) to a person providing services to the Inland Revenue,

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

for use for the purposes of functions relating to contributions, statutory sick pay or statutory maternity pay.

Information held by tax authorities

Supply of information held by tax authorities for fraud prevention and verification.

122.-(1) *This section applies-*

(a) to information which is held-

(i) by the Inland Revenue, or

(ii) by a person providing services to the Inland Revenue, in connection with the provision of those services,

but is not information to which section 121E above applies, and

(b) to information which is held-

(i) by the Commissioners of Customs and Excise, or

(ii) by a person providing services to the Commissioners of Customs and Excise, in connection with the provision of those services.

(2) Information to which this section applies may, with the authority of the Commissioners concerned, be supplied to, or to a person providing services to, the Secretary of State or the Northern Ireland Department-

(a) for use in the prevention, detection, investigation or prosecution of offences relating to social security; or

(b) for use in checking the accuracy of information relating to benefits, contributions or national insurance numbers or to any other matter relating to social security and (where appropriate) amending or supplementing such information.

(3) Information supplied under subsection (2) above shall not be supplied by the recipient to any other person or body unless-

(a) it could be supplied to that person or body under that subsection;

(b) it is supplied for the purposes of any civil or criminal proceedings relating to the Contributions and Benefits Act, the Jobseekers Act 1995 or this Act or to any provision of Northern Ireland legislation corresponding to any of them; or

(c) it is supplied under section 122C below;

and shall not be so supplied in those circumstances without the authority of the Commissioners concerned.

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

(4) But where information supplied under subsection (2) above has been used (in accordance with paragraph (b) of that subsection) in amending or supplementing other information, it is lawful for it to be-

- (a) supplied to any person or body to whom that other information could be supplied; or
- (b) used for any purpose for which that other information could be used.

(5) This section does not limit the circumstances in which information may be supplied apart from this section.

Disclosure of contributions etc. information by Inland Revenue.

122AA.-(1) *No obligation as to secrecy imposed by statute or otherwise on persons employed in relation to the Inland Revenue shall prevent information held for the purposes of the functions of the Inland Revenue in relation to contributions, statutory sick pay or statutory maternity pay from being disclosed-*

- (a) *to any of the authorities to which this paragraph applies, or any person authorised to exercise any function of that authority, for the purposes of the functions of that authority,*
- (b) *in a case where the disclosure is necessary for the purpose of giving effect to any agreement to which an order under section 179(1) below relates.*

(2) *The authorities to which subsection (1)(a) above applies are-*

- (a) *the Health and Safety Executive,*
- (b) *the Government Actuary's Department,*
- (c) *the Office of National Statistics, and*
- (d) *the Occupational Pensions Regulatory Authority.*

Supply of information by Inland Revenue for purposes of contributions.

122A.-[This section would be repealed by this Bill.]

Other government information

Supply of other government information for fraud prevention and verification.

122B.-(1) This section applies to information which is held by, or by a person providing services to, a Minister of the Crown or a government department (including a Northern Ireland department) and which relates to-

- (a) passports, immigration and emigration, nationality or prisoners; or
- (b) any other matter which is prescribed.

(2) Information to which this section applies may be supplied to, or to a person providing services to, the Secretary of State or the Northern Ireland

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

Department-

- (a) for use in the prevention, detection, investigation or prosecution of offences relating to social security; or
 - (b) for use in checking the accuracy of information relating to benefits, contributions or national insurance numbers or to any other matter relating to social security and (where appropriate) amending or supplementing such information.
- (3) Information supplied under subsection (2) above shall not be supplied by the recipient to any other person or body unless-
- (a) it could be supplied to that person or body under that subsection;
 - (b) it is supplied for the purposes of any civil or criminal proceedings relating to the Contributions and Benefits Act, the Jobseekers Act 1995 or this Act or to any provision of Northern Ireland legislation corresponding to any of them; or
 - (c) it is supplied under section 122C below.
- (4) But where information supplied under subsection (2) above has been used (in accordance with paragraph (b) of that subsection) in amending or supplementing other information, it is lawful for it to be-
- (a) supplied to any person or body to whom that other information could be supplied; or
 - (b) used for any purpose for which that other information could be used.
- (5) This section does not limit the circumstances in which information may be supplied apart from this section.

Authorities administering housing benefit or council tax benefit

Supply of information to authorities administering benefit.**

- 122C.**-(1) This section applies to information relating to social security which is held-
- (a) by the Secretary of State or the Northern Ireland Department; or
 - (b) by a person providing services to the Secretary of State or the Northern Ireland Department in connection with the provision of those services.
- (2) Information to which this section applies may be supplied to-
- (a) an authority administering housing benefit or council tax benefit; or
 - (b) a person authorised to exercise any function of such an authority relating to such a benefit,

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

for use in the administration of such a benefit.

(3) But where information to which this section applies has been supplied to the Secretary of State, the Northern Ireland Department or the person providing services under section 122 or 122B above, it may only be supplied under subsection (2) above-

- (a) for use in the prevention, detection, investigation or prosecution of offences relating to housing benefit or council tax benefit; or
- (b) for use in checking the accuracy of information relating to housing benefit or to council tax benefit and (where appropriate) amending or supplementing such information.

(4) The Secretary of State or the Northern Ireland Department-

- (a) may impose conditions on the use of information supplied under subsection (2) above; and
- (b) may charge a reasonable fee in respect of the cost of supplying information under that subsection.

(5) Where information is supplied to an authority or other person under subsection (2) above, the authority or other person shall have regard to it in the exercise of any function relating to housing benefit or council tax benefit.

(6) Information supplied under subsection (2) above shall not be supplied by the recipient to any other person or body unless-

- (a) it is supplied-
 - (i) by an authority to a person authorised to exercise any function of the authority relating to housing benefit or council tax benefit; or
 - (ii) by a person authorised to exercise any function of an authority relating to such a benefit to the authority;

- (b) it is supplied for the purposes of any civil or criminal proceedings relating to the Contributions and Benefits Act, the Jobseekers Act 1995 or this Act or to any provision of Northern Ireland legislation corresponding to any of them; or

- (c) it is supplied under section 122D or 122E below.

(7) This section does not limit the circumstances in which information may be supplied apart from this section (in particular by reason of section 122(4) or 122B(4) above).

Supply of information by authorities administering benefit.**

122D.-(1) The Secretary of State or the Northern Ireland Department may require-

- (a) an authority administering housing benefit or council tax

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

benefit; or

- (b) a person authorised to exercise any function of such an authority relating to such a benefit,

to supply benefit administration information held by the authority or other person to, or to a person providing services to, the Secretary of State or the Northern Ireland Department for use for any purpose relating to social security [to have effect as if included child support and war pensions].

(2) The Secretary of State or the Northern Ireland Department may require-

- (a) an authority administering housing benefit or council tax benefit; or

- (b) a person authorised to exercise any function of such an authority relating to such a benefit,

to supply benefit policy information held by the authority or other person to, or to a person providing services to, the Secretary of State or the Northern Ireland Department.

(3) Information shall be supplied under subsection (1) or (2) above in such manner and form, and in accordance with such requirements, as may be prescribed.

(4) In subsection (1) above "benefit administration information", in relation to an authority or other person, means any information which is relevant to the exercise of any function relating to housing benefit or council tax benefit by the authority or other person.

(5) In subsection (2) above "benefit policy information" means any information which may be relevant to the Secretary of State or the Northern Ireland Department-

- (a) in preparing estimates of likely future expenditure on housing benefit or council tax benefit; or

- (b) in developing policy relating to housing benefit or council tax benefit.

Supply of information between authorities administering benefit.

122E.-(1) This section applies to benefit administration information which is held by-

- (a) an authority administering housing benefit or council tax benefit; or

- (b) a person authorised to exercise any function of such an authority relating to such a benefit.

(2) Information to which this section applies may be supplied to another such authority or person-

- (a) for use in the prevention, detection, investigation or prosecution of offences relating to housing benefit or council tax benefit; or

These notes refer to the Social Security Contributions (Transfer of Functions, etc.) Bill [H.L.], as introduced in the House of Lords on 25th November 1998 [HL Bill 1]

(b) for use in checking the accuracy of information relating to housing benefit or to council tax benefit and (where appropriate) amending or supplementing such information.

(3) The Secretary of State or the Northern Ireland Department may require information to which this section applies and which is of a prescribed description to be supplied in prescribed circumstances to another such authority or person for use in the administration of housing benefit or council tax benefit.

(4) Information shall be supplied under subsection (3) above in such manner and form, and in accordance with such requirements, as may be prescribed.

(5) Where information supplied under subsection (2) or (3) above has been used in amending or supplementing other information, it is lawful for it to be-

(a) supplied to any person or body to whom that other information could be supplied; or

(b) used for any purpose for which that other information could be used.

(6) In this section "benefit administration information", in relation to an authority or other person, means any information which is relevant to the exercise of any function relating to housing benefit or council tax benefit by the authority or other person.

** [See section 3(3) of the Social Security Act 1998, by virtue of which sections 122C and 122D of the Social Security Administration Act 1992 each have effect as if the reference in subsection (1) to social security included references to child support and war pensions.]