



Cabinet Office

Public Sector Fraud Authority (PSFA) Civil Penalty Powers: Code of Practice Consultation

Closing date: 27 February 2026



Government of the United Kingdom

Consultation on the Public Sector Fraud Authority Civil Penalty Powers: Code of Practice

Presented to Parliament by Josh Simons, Parliamentary Secretary
for the Cabinet Office by Command of His Majesty

December 2025



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Consultation on the PSFA Civil Penalty Powers: Code of Practice

About this consultation

This consultation seeks feedback on the draft Code of Practice that will set out the administration of the Public Sector Fraud Authority's (PSFA) civil penalty powers provided by the Public Authorities (Fraud, Error and Recovery) Act (PAFER) 2025.

Geographic Scope

England and Wales

How to respond

This consultation is hosted on an online survey platform called SmartSurvey. To respond to the consultation, please use the following weblink:

[Survey Link](#)

If, for any reason, you are unable to complete the consultation using the online platform, please contact **psfa@cabinetoffice.gov.uk** to request a Word Document version of the response template.

Alternatively, you can post your response to us with the title, "PSFA PAFER Consultation" to:

The Public Sector Fraud Authority
Cabinet Office
1 Horse Guards Road
London
SW1A 2HQ

Response

The government will publish a response to this consultation on GOV.UK within 12 weeks of its closing. If, for any reason, we are unable to respond to the consultation within 12 weeks, we will provide an explanation at the consultation page on GOV.UK about why this is not possible.

Background

The Act addresses the government's ability to respond to public sector fraud by giving the PSFA new powers to pursue criminal and civil action. Civil penalties will be issued for fraud and for non-compliance with information sharing and gathering, and debt recovery measures within the Act. The Code of Practice sets out how these penalties will be determined and administered.

The introduction of a robust civil penalties regime shows that there are meaningful consequences for breaking the law even when criminal prosecution is not appropriate or achievable. Penalties will serve as an important deterrent to tackle fraud against the public sector and send a clear message to fraudsters that their actions have consequences. Civil penalties offer an alternative route to criminal prosecution, helping to remove some of the burden on the courts by offering alternative resolutions to fraud cases. Penalties may be applied to any fraud arising in any government department or public body but not HM Revenue and Customs (HMRC) or The Department for Work Pensions (DWP). This will enable the PSFA to respond appropriately to the facts of a case, deal with more cases, and act quickly against and prevent fraudulent activity within the public sector.

Basic information

Representations are welcomed from civil society, the private sector, public authorities, as well as professional bodies, interest groups and the wider public.

Why are we consulting?

This consultation seeks views on the draft Code of Practice about the PSFA's administration of the civil penalty powers it will obtain from the Public Authorities (Fraud, Error and Recovery) Act 2025. Section 63 of the PAFER Act outlines a commitment to introduce a Code of Practice on the administration of these civil penalty powers before the first use of the powers.

After the consultation

The consultation will close on 27 February 2026. Following this, the government will respond to public consultation responses within 12 weeks.

Appendix 1: privacy notice

This notice sets out how we will use your personal data, and your rights. It is made under Articles 13 and/or 14 of the General Data Protection Regulation (GDPR).

Your Data

Purpose

The purpose for which we are processing your personal data is to obtain the opinions of members of the public, parliamentarians and representatives of organisations and companies about departmental policies, proposals, or generally to obtain public opinion data on an issue of public interest.

The data

We will process the following personal data: name, address, email address, job title (where given), and employer (where given), as well as opinions.

We will also process additional biographical information about respondents or third parties where it is volunteered.

Legal basis of processing

The legal basis for processing your personal data is that it is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the data controller. In this case that is statutory consultation on departmental policies or proposals, or obtaining opinion data, in order to develop good effective policies.

Sensitive personal data is personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person's sex life or sexual orientation.

The legal basis for processing your sensitive personal data, or data about criminal convictions (where you volunteer it), is that it is necessary for reasons of substantial public interest for the exercise of a function of the Crown, a Minister of the Crown, or a government department. The function is statutory consultation departmental policies or proposals, or obtaining opinion data, in order to develop good effective policies.

Recipients

Where individuals submit responses, we may publish their responses, but we will not publicly identify them. We will endeavour to remove any information that may lead to individuals being identified.

Responses submitted by organisations or representatives of organisations may be published in full, unless there is an expressed wish for comments to remain confidential.

Where information about responses is not published, it may be shared with officials within other public bodies in order to help develop policy.

As your personal data will be stored on our IT infrastructure it will also be shared with our data processors who provide email, and document management and storage services.

We may share your personal data where required to be law, for example in relation to a request made under the Freedom of Information Act 2000.

Retention

Published information will generally be retained indefinitely on the basis that the information is of historic value. This would include, for example, personal data about representatives of organisations.

Responses from individuals will be retained in identifiable form for three calendar years after the consultation has concluded.

Where personal data have not been obtained from you

Your personal data were obtained by us from a respondent to a consultation.

Your Rights

You have the right to request information about how your personal data are processed, and to request a copy of that personal data.

You have the right to request that any inaccuracies in your personal data are rectified without delay.

You have the right to request that any incomplete personal data are completed, including by means of a supplementary statement.

You have the right to request that your personal data are erased if there is no longer a justification for them to be processed.

You have the right in certain circumstances (for example, where accuracy is contested) to request that the processing of your personal data is restricted.

You have the right to object to the processing of your personal data where it is processed for direct marketing purposes.

You have the right to object to the processing of your personal data.

For any further details please visit the Privacy Notice for Cabinet Office Consultations here [Cabinet Office Public Consultations](#)

International Transfers

As your personal data is stored on our IT infrastructure, and shared with our data processors, it may be transferred and stored securely outside the European Union. Where that is the case it will be subject to equivalent legal protection through the use of Model Contract Clauses.

Contact Details

The data controller for your personal data is the Cabinet Office. The contact details for the data controller are:

Cabinet Office
70 Whitehall, London
SW1A 2AS

Public Enquiries: [Online Contact Form](#)

The Data Protection Officer provides independent advice and monitoring of Cabinet

Office's use of personal information.

The contact details for the data controller's Data Protection Officer are:

dpo@cabinetoffice.gov.uk

Complaints

If you consider that your personal data has been misused or mishandled, you may make a complaint to the Information Commissioner, who is an independent regulator. The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF, or 0303 123 1113, or casework@ico.org.uk. Any complaint to the Information Commissioner is without prejudice to your right to seek redress through the courts.

PSFA Civil Penalties Code of Practice

1. Introduction

Q1. Does the introduction provide enough information to understand why a code of practice is being proposed?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you would like to provide further comments to explain your answer, please do so below. Please limit your answer to 250 words.

2. Procedural Rights

Q2a. Are the procedural rights clear?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you would like to provide further comments to explain your answer, please do so below. Please limit your answer to 250 words.

Q2b. Is there anything else you would expect this section to include?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you would like to provide further comments to explain your answer, please do so below. Please limit your answer to 250 words.

3. Oversight

Q3. From reading this section of the Code, are you clear on the levels of oversight related to civil penalties, and is the process set out in this section adequate?

- ☐ Yes

- ☐ No
- ☐ No opinion

If you would like to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

4. Scope

Q4a. Do you agree that this section provides enough detail to understand the scope of the Code?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you would like to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

Q4b. Is there anything else you would expect to see to help understand the scope of the legislation, and is the process set out by this section adequate?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you would like to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

5. Authorised Officers

5a. Are the roles of Authorised Officer and Senior Authorised Officer clear to you?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you would like to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

5b. Is the process on how cases are referred to PSFA adequate and clear to you?

- ☐ Yes
- ☐ No

☐ No opinion

If you would like to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

5c. Do you think the code of practice provides enough information to understand PSFA's approach to vulnerability?

- ☐ Yes
☐ No
☐ No opinion

If you would like to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

5d. Does this section require further information to understand the case assessment approach?

- ☐ Yes
☐ No
☐ No opinion

If you want to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

6. Information Powers

Q6. Is there any information missing from this section that you would expect, and is the process set out by this section adequate?

- ☐ Yes
☐ No
☐ No opinion

If you would like to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

7. Penalties for Fraud

Q7a. Do you find this section on how a civil penalty is established easy to understand? Is the information clear and adequate?

- ☐ Yes

- ☐ No
- ☐ No opinion

If you would like to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

Q7b. Does this section of the Code explain clearly how a civil penalty is calculated?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you would like to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

8. Representations relating to civil penalties

Q8. Overall, do you find this section on representations relating to civil penalties clear and easy to understand?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you want to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

9. Internal Reviews of Civil Penalty decisions

Q9. Is the process on how an internal review of a civil penalty decision is taken clear enough to you?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you would like to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

10. Appeals relating to Civil Penalties

Q10. Is the process for imposing a penalty, making representations, internal reviews and appeals adequate from what is set out in this Code of Practice?

- ☐ Yes
- ☐ No

☐ No opinion

If not, what is unclear and how could it be improved? Please limit your answer to 250 words.

11. When Civil Penalties may not be applied

Q11. Is the Code of Practice clear and concise on when penalties will not be applied?

- ☐ Yes
☐ No
☐ No opinion

If you want to provide further comments to explain your answer, please do so below. Please limit your answer to 250 words.

12. Penalty Reduction

Q12. The PSFA may reduce the level of penalty. This is dependent on the individual/organisation being fully co-operative with an investigation into their fraudulent behaviour subject to full disclosure of the facts. Is the Code of Practice clear on how this process will work?

- ☐ Yes
☐ No
☐ No opinion

If you want to provide further comments to explain your answer, please do so below. Please limit your answer to 250 words.

13. Penalties for non-compliance

Q13. Does the Code of Practice provide adequate information to help you understand why and how Penalties for non-compliance are issued?

- ☐ Yes
☐ No
☐ No opinion

If you want to provide further comments to explain your answer, please do so below. Please limit your answer to 250 words.

14. What if an individual or organisation thinks there is an error or mistake?

Q14. Does this section sufficiently detail the safeguards and processes in place in event of an error?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you want to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

15. Payment of penalties

Q15a. Is how to make a payment clear enough?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you want to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

16. Unpaid penalties

Q16a. When a penalty goes unpaid, the penalty incurs additional charges, such as interest. Is this process made clear, and is the process set out by this section adequate?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you want to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

17. Managing overpayments

Q17. Are you satisfied that this section explains the safeguards and processes around overpayments?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you want to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

18. Information and Record Management

Q18. Is there anything further in this section that you believe we should include?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you want to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

19. Glossary of terms

Q19. Is there anything missing from this section that you think we should include?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you want to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.

20. Additional

Q20. Is there anything which you think is missing from the Code or which requires further detail?

- ☐ Yes
- ☐ No
- ☐ No opinion

If you want to provide further comments to explain your answer, please do so below.
Please limit your answer to 250 words.