

Government Response to the Public Authorities (Fraud, Error and Recovery) Act DWP Codes of Practice Consultation

Introduction

This is the Government's response to the consultation for the following Public Authorities (Fraud, Error and Recovery) Act DWP Codes of Practice:

- Verifying Eligibility in the Welfare System
- Obtaining Information to Support Fraud Investigations in the Welfare System
- Direct Deductions and Disqualification from Driving Orders

The response document details:

- The background to the relevant powers of the Public Authorities (Fraud, Error and Recovery) Act 2025 ("Act") and the consultation exercise.
- Statistical reporting of the responses and summaries of their key themes.

- Where the Department for Work and Pensions has considered the responses and amended the Codes of Practice.

Executive Summary

The Public Authorities (Fraud, Error and Recovery) Act 2025 modernises the framework to enable the Department for Work and Pensions (“DWP”) to more effectively identify, prevent, and reduce fraud and error within the social security system and the efficient recovery of debt. Three draft Codes of Practice were developed, to ensure the safe, effective and proportionate use of DWP’s new powers.

DWP Eligibility Verification Notices – The Act allows DWP to issue Eligibility Verification Notices (“EVNs”) to require banks and other financial institutions to look at the data they hold on specified accounts and provide information to help DWP verify a claimant’s entitlement to benefits and identify incorrect payments. This Code of Practice explains when an Eligibility Verification Notice (EVN) may be issued, and provides guidance on its content, scope, and the use of data obtained through an EVN. It also sets out the appeals and review processes available to financial institutions, the penalties for financial institutions which fail to comply with an EVN, and the safeguards in place to protect data subjects and their information.

DWP Direct Deduction and Disqualification from Driving Orders – Debt recovery powers were broadened

by the Act to create greater fairness in DWP debt recovery. As a last resort, money owed to DWP can now be recovered from an individual's bank account by issuing a direct deduction order to their bank for payment, after carrying out an affordability assessment. In the most serious cases where an individual has failed to repay a debt owed to DWP, without reasonable excuse, DWP can apply to the court to temporarily disqualify them from holding a driving licence where the court is satisfied that the debtor had the means to repay and did not without good reason. This Code of Practice explains how DWP will use the new recovery powers, who they apply to, and the safeguards to ensure they are used proportionately and fairly, including rights of representation and appeal where appropriate. It also sets out the responsibilities of financial institutions when applying a direct deduction order and what a court must consider for driving licence disqualification orders.

DWP Obtaining Information to Support Fraud Investigations in the Welfare System – DWP's existing information gathering powers were strengthened by the Act to allow fraud investigators to compel relevant information from any Information Provider when conducting a criminal investigation into a case of suspected fraud on an identifiable individual. It creates a single approach for gathering information from all Information Providers, unless that type of information is exempted, and makes clear that responses can be required digitally. This Code of Practice explains how Authorised Officers will use these new powers once

they come into force and includes helpful information for Information Providers who need to comply with information requests.

Throughout the development of these Codes of Practice and the passage of the 2025 Act, input provided by financial institutions, businesses, debt charities, debt advice sector, other Government departments and parliamentarians has been taken into consideration.

In addition to the above input, DWP sought additional feedback via a public consultation to ensure appropriate governance and transparency in the exercise of these new powers. We invited views from across the public, and particularly encouraged stakeholders who will be affected by these Codes of Practice, to participate in the consultation.

Respondents were able to provide feedback in the form of a written response via an online form, email or post.

The consultation was open to public feedback for 12 weeks, from 8 December 2025 to 27 February 2026. It is important to note that the references stated in the consultation responses are based on previously published draft Codes of Practice (published December 2025) and references are subject to change.

Breakdown of Responses

The consultation received a total of 61 responses, comprising of 31 submissions via the online form and 30 received by email. Among the email submissions, one

industry representative provided a consolidated response reflecting the views of their members.

Several respondents provided feedback on the powers granted from the Public Authorities (Fraud, Error and Recovery) Act 2025 and not specifically related to the Codes of Practice. 70% (43) of responses provided relevant feedback on the Codes of Practice that was duly considered in the development of the published versions laid in Parliament.

The consultation was organised into three distinct sections to reflect the individual Codes of Practice. We asked respondents to rank the level of agreement to a total of 35 questions with 33 corresponding free-text, and an additional 6 open-topic and free-text questions for further feedback. Respondents had the opportunity to provide open-ended comments to 16 questions relating to the EVN Code of Practice, 12 questions relating to the Recovering Debt Code of Practice and 11 questions relating the Obtaining Information Code of Practice.

- 25 submissions responded to all three Codes of Practice
- 13 submissions responded to a combination of two Codes of Practice
- 9 submissions responded to the Recovering Debt Code of Practice questions only
- 8 submissions responded to the Eligibility Verification Code of Practice questions only

- 6 submissions responded to the Obtaining Information Code of Practice questions only

Respondent type

Respondents were asked in what capacity they were responding to the consultation.

| | Member of the Public | Charity/ representative organisations | employer/ business representative organisation | Other | Individual businesses |
|--------|----------------------|---------------------------------------|--|-------|-----------------------|
| Number | 32 | 16 | 7 | 4 | 2 |

Analysis Method

We conducted a thematic analysis of the free-text consultation responses to identify recurring viewpoints and recommendations. Each submission, including Likert scale¹ responses, were carefully evaluated and considered by a policy expert.

First, we assessed whether the comments could be legitimately considered, regardless of their impact to the Codes. Feedback that was out of scope of the consultation or expressing disagreement with the Public Authorities (Fraud, Error and Recovery) Act itself was not considered as part of this response.

1 The Likert scale used to measure opinions. In the Public Authorities (Fraud, Error and Recovery) Act DWP Codes of Practice consultation measured five levels of agreement, ranging from strongly disagree to strongly agree.

Second, all comments that could be considered were broken down into distinct arguments, viewpoints or recommendation.

Next, each argument, viewpoint, or recommendation was assigned to a thematic category.

Finally, we assessed themes across all responses to highlight areas of concern and identify patterns in the feedback.

Below, each Code of Practice sets out an overall summary of the findings of the consultation and provides a further analysis of the most frequent themes and common points.

DWP Eligibility Verification Notices

Summary

The Code of Practice about Eligibility Verification Notices (EVNs) received 12 relevant responses submitted via the online consultation form, and 24 email submissions. The responses shared a diverse range of views, but several clear themes emerged. The common themes are addressed in this Government response to the consultation.

Key themes that were raised during the consultation include:

- Transparency about the eligibility indicators that DWP will specify in an EVN.
- Safeguarding
- The “necessary and proportionate” test which must be carried out by DWP before an EVN can be issued
- How the Test and Learn period will operate
- The possible suspension of benefits as a result of an EVN
- Public awareness of the EVNs

These themes are considered in more detail below, with the Government response and details of any changes that have been made to the Code of Practice for EVNs.

While some respondents identified areas where the draft Code of Practice could be strengthened, others

considered that the Code clearly articulated the purpose of the Eligibility Verification Measure (EVM), how it would operate in practice, and that it is a necessary and proportionate intervention. Feedback submitted via the online response form indicated that 42% of respondents either agreed or strongly agreed that the Code is clear and easy to understand, including in respect of its language, structure, and overall presentation. [Based on 12 online respondents providing relevant feedback].

Findings of the Consultation

Eligibility indicators

Summary of responses

A common theme was the desire to see more information about the eligibility indicators that DWP will specify in an EVN, which a financial institution will use to identify relevant accounts. Many respondents wanted these indicators to be set out in the Code of Practice or, at a minimum, a commitment that DWP will publish the eligibility indicators elsewhere.

Respondents said this would give people clarity about the scope of the power, improve people's ability to scrutinise EVM, and improve public confidence that DWP will use the power proportionately.

Government response

During the passage of the Public Authorities (Fraud, Error and Recovery) Act 2025, Ministers made clear that DWP will not publish the precise details of the eligibility indicators that would be used by financial institutions

to identify relevant accounts, as this could enable individuals intent on committing fraud to circumvent the measure.

DWP has considered the responses to the consultation and maintains the position that the department will not publish the exact eligibility indicators that will be specified in an EVN. However, Ministers and the Code have made clear that eligibility indicators in an EVN will be linked to the eligibility criteria for the benefits in scope of EVM; and the eligibility criteria for individual benefits are readily available.

The legislation underpinning EVM is very clear on what can and cannot be included in eligibility indicators, and links to the eligibility criteria for the benefits in scope of EVM are provided in the Code. This gives clarity about the types of things which DWP will ask financial institutions to look at when identifying relevant accounts, such as a person's level of capital, or how much time they have spent abroad. However, to add further clarity, the Code has been updated to give further examples of eligibility indicators which may be specified in an EVN.

DWP agrees that it is important for EVM to be used accountably and transparently. The Act therefore requires an independent person to be appointed to oversee the use of the power, conduct an annual review and report their findings to Parliament.

Furthermore, DWP must assess and record whether it considers it necessary and proportionate to issue an EVN before doing so. This requirement is also provided for in

the legislation. The independent reviewer must consider compliance with this, providing further reassurance that the power must be used proportionately and transparently.

Changes Made to the Code of Practice

Following consultation, the Code of Practice has been amended to:

- Provide further examples of eligibility indicators which may be specified in an EVN.

Safeguarding

Summary of responses

Many respondents raised wider concerns about DWP's existing safeguarding processes, and the likelihood that EVM will lead to more people being subject to processes which they perceive as inadequate.

Many respondents therefore said that the EVN Code of Practice should contain information about how vulnerable people will be safeguarded during the processes which follow the receipt of EVM information. This includes information about how vulnerable people will be identified, and the processes DWP staff must follow when looking into claims as a result of EVM information.

Government response

Government has been clear that EVM information will feed into business-as-usual processes for reviewing a person's claim where necessary. This means that the safeguards which are currently in place will continue to be in place when DWP is reviewing claims following

receipt of EVM information. For example, frontline colleagues have guidance to help them refer individuals to external agencies with statutory responsibilities for protecting people from harm, abuse or neglect when concerns are identified.

As EVM is a data-gathering measure that feeds into business-as-usual processes, no additional safeguards have been included into the Code of Practice. This reflects the fact the Department already has a range of measures in place to help identify and safeguard vulnerable claimants. There are clear processes which must be followed by DWP staff when dealing with claimants and their benefit claims and the department operates a tiered system of support for vulnerable customers. All colleagues are trained to recognise vulnerability and respond appropriately, with specialist support available for complex cases.

Established safeguarding processes are already in place and DWP is committed to strengthening safeguarding practices through a multi-year strategy. As part of this, DWP has:

- Defined safeguarding in line with key legislation, including the Care Act 2014, Domestic Abuse Act 2021, Children Act 1989, and Human Rights Act 1998.
- Developed an approach built around three steps: Recognise, Respond and Report – a standard approach to safeguarding used by other organisations.

- Engaged with safeguarding professionals and the public through the Pathways to Work Green Paper consultation and targeted roundtables.
- Conducted a Department-wide safeguarding survey.
- Established an executive lead and a dedicated Safeguarding Team, supported by the Chief Medical Adviser, to drive delivery of the strategy and embed a consistent departmental approach.

This year, the DWP is focusing on building awareness and capability, clarifying roles and responsibilities, improving escalation routes and enhancing processes. This will ensure colleagues can consistently recognise, respond to, and report safeguarding concerns.

Given this, the Code has not been updated.

Necessary and proportionate

Summary of responses

By law, DWP must only issue an EVN if it is necessary and proportionate to do so. Feedback to the consultation submitted via the online response form indicated that 58% of respondents disagreed or strongly disagreed that the Code was clear enough on this. [Based on 12 online respondents providing relevant feedback].

A common theme was for more information to be provided on the details of the ‘necessary and proportionate test’ when issuing an EVN. For example, many respondents said the Code did not sufficiently explain what “necessary and proportionate” means, nor

how DWP would apply this test when deciding whether to issue an EVN. They said that they would welcome a clearer definition of the term, alongside more detail on the factors DWP and the Senior Civil Servant responsible for approving an EVN will consider during decision-making.

Respondents said they would like to see a clearer threshold or set of criteria defining when an EVN would be justified. They felt that providing this information would increase confidence in the use of the powers.

Finally, some respondents also wanted to understand how individuals affected by an EVN would be able to challenge the use of the power, and they sought further clarity about the mechanisms available for raising such challenges.

Government response

DWP is committed to balancing the need to prevent fraud and error with respect for individuals' privacy. EVM will be exercised proportionately and supported by robust safeguards to give confidence that it will be used fairly and effectively. At the same time, Government needs the right tools to identify and address fraud and error. EVM pursues the legitimate aim of safeguarding the economic well-being of the country, by ensuring the proper allocation of limited public resources in accordance with the legally prescribed criteria for welfare benefits.

Overpayments in the social security system currently cost the taxpayer almost £10 billion a year. EVM addresses the pressing need to reduce increasing levels of incorrectness, where DWP cannot routinely verify

whether certain eligibility criteria are being met using existing data sources, and must instead rely on claimant self-reporting.

As set out in the legislation and reflected in the Code, the Secretary of State must be satisfied that issuing an EVN is necessary and proportionate before doing so. Having better access to data through this measure will help ensure people receive the correct amount of benefit they are entitled to, while preventing abuse of the welfare system by fraudsters. Detecting incorrect payments earlier will also help prevent claimants from accruing large debts in cases where an overpayment is recoverable.

In the Code of Practice, DWP outlined the types of considerations that would apply before issuing an EVN. The feedback provided in the consultation has been carefully reviewed and there are areas where further clarity can strengthen understanding.

The Code has therefore been updated to set out additional factors that may be considered before an EVN is issued. While further detail has been added, it is not possible to produce an exhaustive list of possible considerations. The ability to take account of other relevant factors is essential to ensure the Department can respond to changing patterns of fraud and error.

Responding to feedback on the need to define “necessary” and “proportionate”, the Department has now included a definition within the Code. This addition is intended to support stakeholders by setting out

the principles that will guide decision-making when considering whether an EVN is justified.

Individuals already have established routes to seek information about how the Department uses their data. People can raise queries or complaints directly with DWP, and they also retain the right to complain to the Information Commissioner's Office regarding the handling of their personal information.

Where an incorrect payment is identified and corrected, claimants will continue to have access to the standard redress routes. This includes the option to request a Mandatory Reconsideration of the decision, followed—where appropriate—by an appeal to the First-tier Tribunal, in line with DWP's existing published processes. [Challenge a benefit decision \(mandatory reconsideration\): Eligibility – GOV.UK](#)

The role of the Independent Reviewer will be to provide independent oversight. They will be able to, amongst other things, examine the decision-making process for issuing EVNs, assess whether the tests of necessity and proportionality have been met, and review the Department's compliance with relevant legislation and the Code of Practice. The Reviewer will also evaluate whether the measure is effective in identifying incorrect payments. Their findings will be published in a report laid before Parliament.

As set out in the sections above, we have therefore updated the relevant parts of the Code to provide further

detail about factors that may be considered before an EVN is issued.

Changes Made to the Code of Practice

Following consultation, the Code of Practice has been amended to:

- Set out a definition of the term “necessary and proportionate.”
- Provide further examples of considerations that the Secretary of State may take into account when determining whether it is necessary and proportionate to issue an EVN.

Test and Learn

Summary of responses

Test and Learn assures the optimised implementation of EVM, ensuring the measure operates as intended, delivers the expected outcomes, and that learning is captured consistently throughout the testing period. Feedback to the consultation submitted via the online form indicated that around 50% of respondents felt the Code didn't clearly explain how the EVM Test and Learn period will operate. [Based on 12 online respondents providing relevant feedback]

Respondents told us that they would like to see more details about this period in the Code, such as the scope and the metrics that DWP will be using to determine the success of the period. Some called for the results of the Test and Learn period to be published, while

others asked that the views of claimants and advocacy organisations be considered when evaluating the EVM process.

A number of respondents sought information to improve transparency and sought clarity about how any lessons learned in this period would affect the measure when it is rolled out more widely.

Government response

In the draft Code of Practice, which was subject to the consultation, DWP set out that EVM will be rolled out gradually, with a view to optimising the process before it is scaled up and more financial institutions are brought on board.

DWP recognises that it is helpful to give more detail about how the Test and Learn period will operate where possible. For this reason, the Code of Practice has been updated to include more on what DWP will consider during the Test and Learn period. This includes, for example, ensuring that the digital solution in place to transfer data between financial institutions and DWP operates efficiently and securely.

The results of the Test and Learn period will not be published as this is not a trial of the concept. Test and Learn is the start of the delivery of EVM in a controlled way and will therefore be subject to reporting in the DWP Annual Report and Accounts and will be covered in the annual review that the EVM Independent Reviewer will undertake. This will ensure that there is transparency

surrounding the early test and learn phase and that key lessons and impacts are shared.

In response to misunderstandings about how DWP will use data obtained during Test and Learn, the Code has been updated to clarify that Test and Learn is intended to operate in largely the same way as full delivery of the measure. This means that this period will involve the transfer of data for the purposes of helping DWP to identify incorrect payments of benefits. All safeguards which are required for full implementation of the measure will also operate during the Test and Learn period. This clarifies that data subjects and their data will not be placed at a disadvantage during this period.

We have carefully considered all feedback and, in response, have strengthened the Code of Practice to provide greater clarity.

Changes Made to the Code of Practice

Following consultation, the Code of Practice has been amended to:

- Provide further information about how DWP may evaluate EVM during the Test and Learn period.

Suspension of benefits

Summary of responses

Through the consultation, respondents expressed concerns that data received through EVNs might lead to the unjustified suspension of benefits, particularly for those who are financially vulnerable. The main concern focused around a perceived risk that EVM data alone

could result in the pausing of payments to claimants and requested clearer assurances that information received through EVM would not lead to immediate or routine suspensions of benefit.

Some respondents also raised concerns that the Code did not provide sufficient information about how DWP will ensure that individuals are not drawn unnecessarily into fraud investigations and felt there was not enough detail on how DWP will decide when to investigate further. The DWP received suggestions that the Code include a clear and comprehensive list of non-EVM information that must be reviewed before any EVM-linked suspension is applied. Some respondents sought clarity that the Measure does not result in a payment suspension where there is reason to believe that an affected person would be at risk of hardship. Some respondents suggested, that claimants have the opportunity to provide evidence, and the opportunity to respond before decisions made following receipt of EVM information results in a reassessment of benefit or a suspension of benefit.

Government response

The Department has been clear that information received following an EVN is shared without any presumption of wrongdoing and will not trigger any automatic suspension. All decisions resulting in any changes to a person's entitlement will be made by a trained DWP staff member. Any EVM data is considered alongside all other relevant information before determining whether further action is required. This is already covered in the Code of

Practice and set out in paragraph 5 of Schedule 3B to the Act.

Where further clarification is needed about a claimant's circumstances, DWP will notify the claimant about the information which has led to the contact. DWP will request information relevant to the claimant's eligibility, and the claimant will be offered the opportunity to respond, ensuring they can provide additional information before decisions about entitlement are taken.

If DWP considers that, following receipt of EVM information, there is a doubt about a claimant's entitlement to benefit, payment of the benefit will not be suspended until the issues have been considered in line with DWP's existing suspension practices. These include hardship considerations. Where a claimant's benefit is suspended, they will be told why.

Respondents to the consultation asked that the Department publish an exhaustive list of all non-EVM information that would be considered alongside EVM information when making decisions about entitlement. The Department will not be publishing this level of detail in the Code of Practice as cases are reviewed and assessed on an individual basis. However, Government recognises the importance of providing further clarity about the types of checks that may be undertaken. As a result, the Code has been updated to include further explanation and examples of how DWP staff may verify whether a claim is correct.

It is important to note that the Independent Reviewer will assess, amongst other matters, how DWP uses this power and whether it has been effective in helping to identify incorrect payments of relevant benefits. Legislation makes clear that the power is to be used solely to assist in identifying incorrect payments of relevant benefits and that EVM information alone cannot be used to make entitlement decisions or suspend a benefit payment. Where appropriate, the Independent Reviewer may choose to examine cases where claims have been suspended and where the EVM may have been a contributing factor.

Changes Made to the Code of Practice

Following consultation, the Code of Practice has been amended to:

- Provide examples of non-EVM information that DWP may consider, in addition to EVM information, when amending benefit entitlement or suspending payment of a benefit.

Public awareness of EVM

Summary of responses

Respondents told DWP that claimants and other people whose data may be shared under EVM must be made aware of the power. This included respondents who suggested the Code of Practice should contain provision requiring people to be informed about EVM pre-emptively (i.e. communications for general awareness about the measure's existence) and respondents who suggested

the Code should require that people be notified once their information has been shared with DWP.

Respondents highlighted concerns around misinformation if people are not adequately informed about EVM. Some expressed frustration that a lack of information about EVM's existence implies a lack of transparency and creates a sense of distrust between claimants and DWP.

Some respondents suggested that the methods described in the draft Code of Practice to inform people about EVM were insufficient, and that the Code should detail further ways in which DWP will inform claimants about EVM's existence.

Government response

In the draft Code of Practice and throughout Parliament, DWP committed to making people aware of EVM through various means, including through the Code of Practice itself, and by updating DWP's Personal Information Charter (PIC). There are also published factsheets available on GOV.UK to set out, simplistically, what EVM is and what it will do and achieve.

The Code of Practice already signposts individuals to the PIC, highlighting that it contains information on how DWP uses personal information it receives. Claimants are also directed to the PIC when DWP collects personal information from them, such as on claim forms. In response to feedback to the consultation, we have provided further information about ways in which people will be informed about EVM, which includes updating relevant GOV.UK pages.

Before acting on EVM data, the Department will always assess other relevant information the department holds alongside it. Where DWP needs to engage with claimants to discuss their claim because of a possible discrepancy identified following receipt of EVM information, DWP will explain what information it has which has led to this. This contact will not always be necessary, however, since DWP will not always need to take action following receipt of EVM information (for example, where a known disregard is identified). Any unnecessary contact with claimants risks causing confusion about whether they need to do anything. This is also in line with DWP's existing processes when it receives similar information from other sources, such as information from HMRC about interest-bearing bank accounts a person may hold. Informing claimants every time their data is shared with DWP could also compromise any criminal investigation which may take place following receipt of EVM information.

Changes Made to the Code of Practice

Following consultation, the Code of Practice has been amended to:

- Provide further detail about the ways in which people will be informed about EVM.

Independent reviewer

Summary of responses

Feedback received via the online form shows that 33% of respondents strongly agreed or agreed that the Code of Practice clearly explained the role and remit of the

Independent Reviewer. However, 42% either disagreed or strongly disagreed, indicating that further clarification was required. [Based on 12 online respondents providing relevant feedback]

Many respondents told us that they wanted to see more information in the Code of Practice about the independent reviewer of EVM. This included, for example, more information about the appointment process, the scope of the independent reviewer and type of information they will have access to. A number of respondents, expressed a desire for the Code to widen the scope of the independent review to consider any adverse impacts of EVM on claimants, in particular vulnerable claimants. Some suggested that the independent reviewer ought to have the ability to discuss EVM with claimants and relevant external organisations, such as financial institutions and charities, in order to inform their review.

Government response

The independent reviewer of EVM is a vital safeguard, providing independent oversight to ensure the measure is applied lawfully and in full compliance with both the legislation and the Code of Practice. In the Code of Practice, which was subject to the consultation, DWP set out details about how the independent review of EVM will be carried out. This built on the provisions within the Act which specify the scope of the review.

DWP recognises the concerns put forward by respondents that clarity around the independent reviewer's role is important so that people understand

exactly how EVM will be kept under review. This supports transparency and allows for informed scrutiny by the public and Parliament.

Having considered the representations made, and the clear desire to see further information about how the independent review of EVM will operate in practice, the Code has been updated to clarify the remit of the independent reviewer. This includes detailing the independent reviewer's discretion to consider matters not provided for in the legislation, to meet relevant parties as necessary to inform their review, and to make recommendations to the Secretary of State regarding the operation of EVM.

The reviewer of EVM is independent of DWP. For this reason, it would be inappropriate for DWP to specify in the Code of Practice the stakeholders with whom the reviewer must meet, or the additional matters which should be considered as part of the review. These are matters for the reviewer to consider. The reviewer will be supported in their role to carry out a thorough review of the measure by appropriate DWP staff.

Given the remit of the review is prescribed in section 79 of the Act, it would not be appropriate to prescribe further responsibilities of the independent reviewer within the Code of Practice. It is important to draw attention to the fact that the review is concerned with EVM and that EVM is a data-gathering measure. As a result, it is not appropriate for the independent reviewer to consider

DWP's wider business-as-usual processes into which EVM information will be fed.

The independent reviewer, as specified in the draft Code of Practice, and as committed to by Ministers throughout the Parliamentary passage of the Act, will be recruited following the principles set out in the Cabinet Office's *Governance Code on Public Appointments*, to which there is a link in the EVM Code of Practice. The processes which DWP will follow when recruiting to this position are laid out in that document, and do not need to be repeated in the EVM Code of Practice.

The recruitment campaign for the independent reviewer of EVM will be launched in due course and will follow an open and fair competition. This will state the person specification and essential requirements for the role.

Changes Made to the Code of Practice

Following consultation, the Code of Practice has been amended to:

- Clarify the remit and discretion of the independent reviewer of EVM.

DWP Direct Deduction and Disqualification from Driving Orders Code of Practice

Summary

The Debt Recovery consultation received 16 online responses and 20 email submissions. Most of the email submissions were received from key stakeholders, with whom DWP has been engaging on the new recovery measures introduced in the Act.

The DWP Direct Deduction and Disqualification from Driving Orders Code of Practice (Debt Code) is one element of a broader suite of internal materials that support implementation of the new debt recovery powers and will be used together with operational guidance for staff and banks. It explains how DWP will use the new recovery powers in practice, including who they apply to, and the safeguards introduced to ensure they are used proportionately and fairly. This includes how DWP will encourage individuals to engage and discuss their circumstances as well as their rights to make representations, request a review and submit an appeal where appropriate. It also sets out the responsibilities of financial institutions when applying a Direct Deduction Order (DDO) and what a court must consider for driving licence disqualification orders.

Key themes that were raised during consultation include:

- Affordability of Deductions

- Safeguards and Vulnerability
- Communications
- Clearer Language
- Direct Deduction Orders – Operational Detail
- Disqualification from Driving – Operational Detail
- Oversight

Each theme is detailed below along with a summary of the responses received, the Government response and detail of any changes that have been made to the Debt Code as a result of the consultation.

Whilst most responses provided feedback on the Debt Code, a small number of respondents provided feedback or suggestions, which the Government has not addressed for the following reasons:

- It was outside the scope of the consultation and/or not related to the Debt Code, or the PAFER Act.
- It requested detail of DWP operational processes which is not relevant to, or consistent with, the purpose of the Debt Code.
- It requested existing DWP guidance to be replicated in the Debt Code.
- It requested detail of guidance for financial institutions which is not relevant to the Debt Code but will be provided in additional guidance to such institutions by DWP.

- It requested detail to be included in the Debt Code which is to be determined in regulations. The Debt Code will be updated as appropriate once the regulations have been laid in Parliament.
- It requested details to be included in the Debt Code, which may provide opportunities for individuals, where a DDO or driving licence disqualification order is appropriate, to understand ways to circumvent them.

Findings of the Consultation

Affordability of Deductions

Summary of Responses

Overall, fifteen respondents expressed concerns that individuals may be unable to afford DDO payments, particularly where vulnerability, misunderstanding of the process and the impact of fluctuating income may affect their ability to pay. Respondents also questioned how a robust affordability assessment could be made using three months of bank statements and suggested DWP encourage individuals to identify protected income. Additionally, respondents noted that individuals in Scotland who seek debt advice would complete a Common Financial Statement.

Government Response

Ten respondents raised concerns that vulnerable individuals may be unable to afford deductions through a DDO. The Act prohibits the use of the new recovery powers for those receiving DWP benefits, and the Debt Code describes how affordability assessments must

occur prior to enforcing a DDO. Individuals will always be invited to make representations before any recovery is taken, this will include the right to set out why they think a particular income should not be taken into account when deciding how much they can afford to repay. The draft Debt Code confirms that individuals can avoid a DDO entirely by engaging with DWP, discussing their circumstances and agreeing voluntary payment terms. The draft Debt Code also clarifies that where a DDO is in place, individuals may contact DWP at any time to request a review to vary the terms of the DDO if it becomes unaffordable.

Some respondents called for stronger affordability checks. Chapter 4 of the draft Debt Code advises that where it is clear from this information that an individual cannot afford payment, the DDO will not be applied at that time. The Debt Code now confirms that Credit Reference Agency (CRA) data will be used to inform initial affordability assessments, alongside information held by DWP and provided by banks or the individual, including income that may have been set aside for specified reasons. Additions have been made to outline that where an individual has fluctuating income, the Act allows DWP to request more than three months of bank statements to support effective affordability assessments.

The Debt Code has been further amended to confirm that where individuals have obtained debt advice and completed a Standard Financial Statement (SFS) or a Common Financial Statement (CFS) for those in

Scotland, this will be accepted as supporting evidence for decisions on the terms of a DDO.

Respondents also suggested that payment offers based on the SFS or CFS should be accepted, and that the Repay My Debt portal (a self-service portal which individuals can use to manage and repay their debts to DWP) should be mandatory. Chapter 1 of the draft Debt Code states that where a SFS or CFS has been completed by a debt adviser, it will be considered by DWP as evidence to support a payment offer. Repay My Debt is currently available and encouraged for individuals who can manage payment of their debt to DWP, but this is not mandatory. This approach considers accessibility, ensuring those who may require tailored support are able to agree payment terms with DWP in a way that best suits their needs. Therefore, the Government does not consider that the Debt Code requires amendment to reflect these consultation responses.

Three respondents expressed concern about the absence of a minimum amount that should be left in an individual's accounts (de-minimis) when a DDO is made. As outlined in Parliamentary debates, a de-minimis is unnecessary as the safeguards in the Act and detailed in the draft Debt Code provide the protection from hardship that a de-minimis may seek to achieve.

Changes Made to the Code of Practice

Following consultation, the Code of Practice has been amended to:

- Confirm CRA data, and, where appropriate, a longer period of bank statements will be used to consider affordability.
- Include explicit reference to the Common Financial Statement for individuals living in Scotland.

Vulnerability and Safeguards

Summary of Responses

Overall, 23 respondents provided comments and suggestions on vulnerability and safeguards, including greater information sharing with banks to identify vulnerability and featuring the protections for vulnerable individuals. Some respondents asked for greater clarity on the role of deputies and power of attorneys. Seven respondents felt DWP should proactively identify vulnerability and some respondents called for assurance that frontline staff have access to resources for those who require additional support.

Seven respondents provided comments related to victims and survivors of domestic and economic abuse, including risks relating to joint accounts and funds set aside for fleeing a perpetrator. Three respondents also had concerns about victims and survivors self-identifying their situation and some felt that the treatment of a victim and survivor is unclear, requesting that recovery be paused for these individuals.

Government Response

DWP is committed to protecting those who may be vulnerable and the Act provides robust safeguards associated with the new recovery powers. Chapter 8 of the draft Debt Code sets out that DWP will take all reasonable steps to identify vulnerable individuals, including using information held by DWP or information shared by banks as part of the DDO process. The expectation that vulnerability should be proactively identified places DWP in an impossible position, as support can only be provided where any vulnerability is known to DWP.

The draft Debt Code encourages individuals to contact DWP to advise of their circumstances to allow appropriate action to be taken and emphasises the safeguards throughout. For example, individuals will have multiple opportunities to engage with DWP, discuss their circumstances and disclose any vulnerabilities before DDO's and driving licence disqualification orders will be considered. In addition to affordability assessments, individuals, and any other account holders, have the right to make representations on the terms of a DDO before any deductions and the right of appeal as well as being able to request a review of the DDO at any time. Both the Act and draft Debt Code specifies that deductions must be fair in all the circumstances, and this would include consideration of any vulnerabilities or additional costs related to living with a disability.

With regard to DWP access to sources of support, Chapter 8 now confirms DWP Debt Recovery staff

receive mandatory annual vulnerability training, which includes identifying potential indicators of vulnerability and that individuals can disclose information concerning vulnerability at any stage and it will be considered.

To further support understanding, Chapter 1 contains information on how DWP will communicate with appointees, deputies and power of attorneys and signpost relevant representatives to further information on their role and the evidence required by DWP to confirm their position.

Although DWP is experienced at supporting victims and survivors of domestic abuse whenever they interact with the department, in the majority of cases DWP would not be able to assess that someone is a victim or survivor without engagement from those individuals. Where DWP is aware that an individual is a victim-survivor, this will inform recovery action. Chapters 8 and 9 of the draft Debt Code describes options that include considering:

- Whether a DDO may put an individual at risk of harm.
- Representations concerning funds that may have been saved to flee their perpetrator.
- Reducing or temporarily pausing recovery.
- In exceptional circumstances, consideration to waive all, or part of the debt.

Changes to the Code

Following consultation the Code of Practice has been amended to:

- Clarify resources available to frontline staff to support individuals.
- Strengthen confirmation on additional time given for actions for those seeking additional support.
- Provide further information on relevant representatives.

Communications

Summary of Responses

Overall, twenty-two respondents requested specific content that will be set out in customer communications to be included in the Debt Code, such as timeframes for interactions. Of these, five respondents requested that written notifications would provide information on bank costs to ensure individuals are aware of the potential consequences of non-engagement with DWP. Five respondents also suggested that written notifications contained prominent referrals to organisations who can provide money and debt advice. Four respondents raised concerns that the Debt Code did not provide sufficient information on how to request alternative formats and how timeframes for interactions would be adjusted where these requests are made.

Government Response

The draft Debt Code captures that written notifications to individuals will outline timescales for responses, the potential for bank costs and referrals to sources of money and debt advice. Chapter 4, step 2 of the Debt Code confirms, amongst other commitments, that all written

notifications issued as part of the DDO process will outline the timeframe individuals have to respond before further action is considered by DWP and include sources of independent free debt advice. This is in addition to references in Chapters 1, 2 and 3. Chapter 4 also states that individuals will be notified in advance of the potential for bank costs to be applied and the timescales for individuals to respond, make representations, request a review or submit an appeal.

As a provider of services to the public, DWP has a legal duty under the Equality Act (2010) to make reasonable adjustments to the way the department communicates with individuals who, due to disability, may be at a disadvantage when accessing DWP services. DWP communication standards ensure that communications are available in alternative formats, as detailed in Chapter 3 of the draft Debt Code. All DWP communications, as standard, advise individuals how to request communications in an alternative format. However, this chapter has been amended to confirm that where DWP is already aware that an individual requires communications in an alternative format, this will automatically be provided and that where an individual makes DWP aware of a new alternative format requirement, the timeframes for action will be adjusted to ensure individuals are not disadvantaged.

Additions have also been made to Chapter 1 to confirm that DWP will make all reasonable attempts to ensure communications are received by individuals. Where DWP has issued written notifications to a previous address,

the process will start again to ensure the individual has sufficient opportunity to engage with DWP before DDO's are considered.

Changes Made to the Code of Practice

Following consultation the Code of Practice has been amended to:

- Provide more detail on alternative formats and how timescales for action may be extended.
- Confirm DWP will take all reasonable steps to ensure individuals receive communications.
- Set out the actions DWP will take where written communications have been issued to a previous address for individuals.

Clearer Language

Summary of Responses

A total of twenty-three respondents indicated the Debt Code could be clearer, with three respondents suggesting the inclusion of a flow chart to aid understanding of the DDO process. Specifically, four respondents stated that the Debt Code lacked clarity on the initial number of contact attempts and methods by DWP before a DDO is considered and four respondents felt the definitions of voluntary payment plans and meaningful engagement with DWP were unclear.

Three respondents suggested that a definition of the review, representation and appeal process would support individuals in understanding the difference between them.

Five respondents felt that greater clarity on bank costs could be provided and suggested highlighting that by engaging with DWP to agree payment terms can help individuals avoid these costs.

Government Response

Chapters 1, 2 and 3 of the Debt Code confirms that DWP will make a minimum of four attempts to contact individuals by letter and telephone before considering a DDO. Chapter 4 provides each step in the consideration and making of a DDO, including timescales for actions and the potential for bank costs to be applied. Chapter 7 provides detail on reviews, representation and appeals, and the potential outcomes at each stage.

The Government is committed to providing a Debt Code which effectively explains how the department will use the new recovery powers introduced in the Act. Recognising that several respondents reported the Debt Code could provide greater clarity in certain areas, amendments have been made, where appropriate, to support understanding. This includes a high-level summary of the DDO process and definitions of review, representation and appeal included as Annexes.

Whilst Chapter 4 states that individuals will be notified in advance that a DDO could result in additional costs, additional text has been included to emphasise that DDO's, bank or court costs and disqualification from driving orders can be avoided by individuals contacting DWP to discuss their situation, agreeing to

and maintaining a voluntary payment plan, this will be included in customer communications.

Chapter 4 confirms that notifications will state the timescales for, and the actions individuals are required to take before the next step in the DDO process. This chapter has been updated to further clarify references to a month for making representations, requesting reviews or submitting an appeal are a calendar month and where individuals may reasonably need more time whilst seeking independent debt advice or support, they should contact DWP who will consider extending timescales before any further action is taken.

Generally, the Debt Code has been updated throughout to ensure the language used is consistent with DWP communications standards to aid understanding and further reflect the policy intent that these are powers of last resort.

Changes Made to the Code of Practice

Following consultation, the Code of Practice has been amended to:

- Include further definitions and simplified process overviews as Annexes.
- Emphasise that orders and additional costs can be avoided by engaging with DWP to agree payment terms.
- Further clarify timescales including extensions where additional support is obtained.

- Ensure compliance with DWP communication standards.
- Reiterate the policy intention for the application of the new recovery powers.

Direct Deduction Orders – Operational Detail

Summary of Responses

Twenty respondents commented on the operational detail in relation to DDOs. Five respondents requested more detail on how individuals can make representations and ensure those representations are meaningful, whilst three respondents sought more detail on what evidence individuals should provide when requesting a review or appeal. Some respondents asked for more information on when joint accounts would be considered for a DDO and how the individual's beneficial interest of the funds in a joint account would be assessed.

Feedback from some members of the financial sector asked for clarity on operational detail, such as communication routes between DWP and banks, the prohibition period, accounts that would be in scope of a DDO and the process for banks where there are insufficient funds in an account following receipt of a DDO. Two respondents sought more detail on bank penalties, including when they would be applied, and some respondents felt the Debt Code did not adequately explain how personal data requested by DWP from banks would be protected and the length of time it would be retained.

Respondents also stated that the Debt Code could more explicitly state that bank costs would be applied only when the deduction had been made from the account.

Government Response

The purpose of the Debt Code is to explain how the new debt recovery powers introduced in the PAFER Act will be used by DWP to ensure this is proportionate and fair. It also intends to set out the responsibilities of financial institutions when applying a DDO and what a court must consider for driving licence disqualification orders. The Debt Code does not intend, and it would not be appropriate for it to contain, detailed DWP and financial institutions operational processes for implementing DDO's. Instead DWP will provide financial institutions with this detail through already established, effective mechanisms where financial institutions have opportunities to provide feedback and input into operational design.

The Government also considers that Chapter 4, as well as references in Chapter 2 of the draft Debt Code, provides sufficient detail on how individuals can make representations to DWP concerning the terms of a DDO. As this is an important safeguard, the Government has further clarified in Chapter 4 that when the deduction rate has been calculated, DWP will write to the individual to advise them of the deduction amount and how to make representation. We anticipate in the first instance an individual may likely contact DWP by telephone, although representations can also be submitted in writing. The Code sets out how to make representations, and this will

also be clear in any relevant notifications that will be sent to impacted individuals.

Chapter 7 of the draft Debt Code provides the necessary information to assure individuals that data obtained as part of the DDO and disqualification from driving order process will be used, stored, retained only as long as necessary and deleted in accordance with the requirements of the Data Protection Act (2018).

Regarding respondents' requests for the Debt Code to specify what evidence should be provided in support of reviews and appeals, it would not be appropriate for DWP to provide such confirmation. This is because circumstances relevant to a review or appeal will vary greatly from person to person. Specifying evidence requirements could disadvantage individuals by unnecessarily restricting the process or even deter an individual from making such a request if they felt they could not provide the evidence referenced in the Debt Code. Reviews and appeals are an important safeguard and DWP is committed to ensuring there is appropriate flexibility. Individuals are, however, able to contact DWP for further guidance to identify potential supporting evidence based on their individual circumstances.

Chapter 4 has been updated to clarify that bank costs could be applied once a deduction is made and if individuals contact DWP to agree payment terms prior to the deduction, bank costs can be avoided. This will also be made clear in relevant notifications.

A small number of respondents felt the action DWP takes to check CRA data to support an initial assessment of affordability could alert individuals to the possibility of a DDO. Whilst DWP routinely check CRA data for address updates and affordability discussions, we believe the chances of an individual moving money out of reach purely as a result of such a check are small. DWP have safeguards in place to minimise the risk of individuals avoiding the powers.

Respondents reported greater clarity could be provided in relation to joint accounts. Chapter 2 and 4 of the draft Debt Code confirms that joint accounts will only be considered for a DDO where it is not reasonably possible to recover from a sole account. Chapter 4 also states DWP will presume that joint account holders each have an equal share of the funds, in accordance with the Act, unless there is reason to believe otherwise. The Debt Code has been amended to provide further clarity on the position where the debt owed is a joint debt and how joint business accounts will be considered for a DDO.

Respondents requested further detail on the penalties that may be imposed on banks where they persistently fail to comply with DDO's. DWP is committed to working collaboratively with financial institutions to resolve issues, where they arise, without the need to resort to imposing a penalty and Chapter 5 of the draft Debt Code provides detail on the circumstances where DWP may consider that a penalty is appropriate. Other penalties that may be imposed for non-compliance related to other measures introduced in the PAFER Act and will be detailed in the

relevant Codes of Practice. In response to the request for greater clarity, Chapter 5 has been updated to confirm that banks will still be required to comply with DDO's when a penalty has been applied and persistent non-compliance would not result in DWP making a decision to exclude a bank from the DDO process.

Some financial institutions sought greater clarity on accounts that would be suitable for a DDO and what action a bank should take where there are insufficient funds to comply with the DDO. To prevent individuals from taking actions to deliberately avoid a DDO, the Debt Code will not specify which accounts will be in scope. Instead, guidance on the accounts which are not considered in scope for a DDO will be shared directly with financial institutions through existing effective mechanisms where banks have been able to provide valued input on the proposals. The Debt Code has been updated to confirm when a bank should inform DWP that an account is not suitable for a DDO, including further clarification on the steps a bank should take where there are insufficient funds to comply with a DDO, and the subsequent action that DWP will take.

Changes to the Code

Following consultation the Code of Practice has been amended to:

- Make clear when bank costs may be applied and how this can be avoided.
- Provide clarity on when joint accounts and joint business accounts will be considered for a DDO.

- Further detail on expectations where penalties have been applied by DWP.
- Confirm banks should advise DWP if an account is unsuitable for a DDO.
- Provide further detail on actions for banks and DWP where there are insufficient funds in an account to comply with a DDO.

Disqualification from Driving – Operational Detail

Summary of Responses

Thirteen respondents raised concerns about the lack of detail in the Debt Code. Specifically, respondents sought clarity on what constitutes a reasonable excuse and an essential need to drive, as well as assurance on available legal advice and representation while making representations to the court. There were concerns from some respondents that disqualification from driving will leave individuals unable to work or access work. One respondent also felt that the £1000 threshold for consideration of a driving licence disqualification order was too low.

Government Response

Chapter 6 of the draft Debt Code states that disqualification from driving orders will only be considered where the outstanding debt balance is a minimum of £1,000 and confirms this is set out in the Act. This chapter further provides details on safeguards that have been introduced to ensure driving licence disqualification

orders are used proportionately and fairly by DWP. The Government wishes to emphasise the policy intent that driving licence disqualification orders will be considered as a last resort in the most serious cases and subsequently both Chapters 2 and 6 have been amended to make clear that individuals can avoid potential disqualification by engaging with DWP, agreeing and maintaining voluntary payment terms.

The draft Debt Code explains that, when considering a disqualification order, DWP and the courts will determine whether the individual failed to repay their debt without a reasonable excuse. The Debt Code will not provide details to confirm what constitutes a reasonable excuse as this will vary from person to person depending on the circumstances and evidence provided. However, Chapter 2 does outline that this could include taking action to move funds to prevent a DDO or refusing to pay.

Recognising concerns from respondents on an important safeguard in the Act, chapters 2 and 6 now reflect that an essential need to drive includes where this is essential to earn a living and advises individuals to make this essential need clear to the court. Further definitions of essential need have deliberately been omitted from the Debt Code to provide courts with the discretion to assess this based on the circumstances presented by the individual.

Changes to the Code

Following consultation the Code of Practice has been amended to:

- Strengthen references to the policy intent and how potential disqualification can be avoided by individuals.
- Clarify the definition of essential need in accordance with the Act.

Oversight

Summary of Responses

Overall, fourteen respondents raised concerns regarding oversight, including monitoring compliance of DWP staff with the Debt Code, the independence of appeals, and whether information on outcomes of DDO's would be reported after 12 months.

Government Response

The purpose of the Debt Code is to explain how DWP will use the new debt recovery powers fairly and responsibly and provide information on the associated safeguards. Information concerning DWP oversight processes, such as monitoring staff performance or the reporting of DDO decisions and debt recovery enforcement outcomes, will not be included within the Debt Code. Oversight is inherently built into the Code of Practice through the independent appeals process.

Operation of the powers will be embedded into the Department's existing operating frameworks, which include the right of appeal to an independent tribunal, as well as the right of complaint to both the Independent Case Examiner and the Parliamentary and Health Service Ombudsman.

Chapter 4 outlines that appeals related to DDOs should be submitted to, and will be handled by, the independent First-Tier Tribunal confirming impartial consideration in all cases.

In response to the recommendation made in the Public Accounts Committee's report *Tackling fraud and error in benefit expenditure 2024-25*, DWP committed to proportionate and appropriate reporting on the powers in the Act as they are implemented, in the Annual Report and Accounts.

Changes to the Code

The Government does not intend to make any changes to the draft Debt Code to reflect consultation responses relating to the inclusion of DWP operational process or providing further assurance that appeals concerning DDO's will be handled independent from DWP.

DWP Obtaining Information to Support Fraud Investigations in the Welfare System

Summary

The Information Gathering Consultation received 22 online responses and 15 email submissions (total of 37 responses). Stakeholders who provided feedback were made up of members of the public, charities or advocacy groups, other representative organisations, banks and other financial institutions.

Key themes that were raised during the consultation include:

- Definitions of key terms
- Timeframe for compliance
- Data Protection/ Privacy/ Retention
- Compensation
- Reasonable Grounds, Necessity and Proportionality
- Complaints and Oversight
- Authorised Officers
- Vulnerability and Safeguards

Each theme is detailed below along with a summary of the responses received, the Government response and detail of any changes that have been made to the Code of Practice for Obtaining Information.

Findings of the Consultation

Definitions

Summary of Responses

A consistent theme was that the definitions within the Code were not clear enough. For instance, respondents felt that clearer definitions could be given for what is considered 'reasonable suspicion', 'necessary and proportionate' and what constitutes 'relevant' information. Some respondents stated that the definitions differ from definitions used by Other Government Departments. In addition, some respondents wanted clarity on what is the DWP definition of a 'couple' when investigating fraud. There was also a general concern that there was an overuse of 'technical' language in the Code which made it difficult to understand.

Government Response

The Government considers that the Code already provides a sufficiently clear definition of what constitutes 'necessary and proportionate' and 'reasonable suspicion of fraud' under Chapter 3, paragraph 3-3.7. This definition is in line with other Government Departments and bodies who exercise similar powers. It is important to note that it is the DWP Authorised Officers' responsibility to determine what constitutes a reasonable suspicion of fraud before issuing an Information Notice to an Information Provider. The responsibility is on DWP to ensure that all required considerations have been made prior to the Information Notice being issued, including making a determination that it is necessary and

proportionate to use the powers. Appropriate training and oversight will be in place to assure this.

Similar concerns were also raised about what information is considered 'relevant'. Authorised Officers are required to request only information that is relevant to the suspected fraud that they are investigating. Once this has been determined they must set out exactly what they are asking for in the Information Notice that will be issued by a DWP Authorised Officer to Information Providers. Examples of the 'types' of information that may be requested are set out in Appendix 2 within the Code. The onus for determining what is considered 'relevant' information is the responsibility of the DWP Authorised Officer, therefore, no additional changes have been made to the Code in this area.

Changes made to the Code of Practice

Changes have been made in the following areas:

- Chapter 3, Paragraph 3.9, included an additional reference to 'Section 89' of the Social Security Administration Act 1992 to provide context on what 'DWP Offence' the Code is referring to.
- A sentence was added to Chapter 4, paragraph 4.8 to specify that complaints about an Authorised Officer may be assigned to an Independent Case Examiner before being referred to the Parliamentary Health and Services Ombudsman. This amendment clarifies the complaints process.

Timeframe for compliance

Summary of Responses

Overall, several raised concerns that both Information Providers and individuals being investigated (such as claimants) do not have enough time to respond to an Information Notice. They consider ten working days insufficient and have suggested the timeframe should be reconsidered. In addition, some respondents stated that DWP has not provided a justification for why a ten working day timeframe has been chosen and have suggested that safeguards and flexibility around this timeframe are lacking within in the Code.

There were also some concerns that the Code fails to provide additional information on the specified number of times DWP will contact the Information Providers. Some respondents also asked for clarity around when extensions to comply with an Information Notice are allowed, how an Information Provider can request an extension and how information that is deemed urgent, is determined.

Government Response

Firstly, the Government wish to make clear that all requests for information under this power will only ever be issued to a third-party Information Provider, not to the individual being investigated.

The DWP must balance timeframes for responses to Information Notices to reflect a proportionate approach to the Information Provider, without unduly delaying its investigations into fraud. In DWP, it is current practice for

Information Providers to normally be given ten working days to comply with an Information Notice, set out in the previous Code of Practice. From 2027, the new digital solution will enable Information Providers to respond more quickly, instead of relying on providing information through email or via post. As stated in Chapter 3, under paragraph 3.31, Information Providers who feel they cannot comply with an Information Notice within the expected timeframe must contact the DWP Authorised Officer who issued the notice and explain why they are unable to provide information within ten working days. All circumstances will be considered on a case-by-case basis and extensions agreed where appropriate.

The Government considers that this escalation process is sufficiently explicit within Chapter 6 which explains the process for contacting the Authorised Officer if there is an issue with complying within the set timeframe and the potential consequences for not complying with an Information Notice. Given that each case will be considered according to its own individual circumstances, it would not be appropriate to include specific timeframes on the escalation processes. DWP will ensure that all reasonable attempts to contact the Information Provider will be made to make them aware of the request.

Changes made to the Code of Practice

The Government has considered the feedback received and has determined that further amendments to the Code of Practice relating to the timeframe for compliance is not required.

Data Protection/Privacy and Retention/ Compensation

Summary of Responses

A minority of respondents provided feedback that the Code lacks specific detail on DWP's approach to protecting personal data, and that it is over-reliant on general data protection principles. Respondents also stated that there is uncertainty surrounding the duration data will be retained for and the criteria for these retention timeframes.

Respondents also argued that the Code does not clarify how DWP will ensure that information will not be stored or used beyond its intended purpose i.e. in cases where information is requested under these powers and the case requires no further action where no fraud is identified.

Finally, some respondents suggested provision of more explicit guidance regarding compensation for Information Providers.

Government Response

The Code sets out DWP's commitment to remaining compliant with general data protection legislation. However, DWP have provided more detailed information about DWP's standard approach to data retention that is available in various public places, including the Personal Information Charter ([Personal information charter – Department for Work and Pensions – GOV.UK](#)) and DWP information management policies ([DWP: information management policies – GOV.UK](#)).

In addition, Chapter 5, paragraph 5.7, explains that DWP must adhere to guidelines set out in the Criminal Procedure and Investigations Act (CPIA) 1996 and Data Protection Act 2018 when processing and retaining data. It also sets out that the Information Commissioners Office may consider complaints made about the way these powers are used in respect of the information obtained, and how to raise a complaint. Clear training and guidance will be available to all Authorised Officers using these powers so that they can follow proper procedures in respect of the use and retention of personal data.

DWP plans to implement a digital solution, which will enable Information Providers to comply with information notices electronically, making the process simpler for, and reducing the burdens on, Information Providers to post information to DWP. Compliance with an Information Notice constitutes a legal and statutory obligation, and remuneration will not ordinarily be provided to offset any associated expenses.

DWP do have a power to make payment arrangements with Information Providers (under Section 4 of the Social Security Fraud Act 2001)² where appropriate. The Code sets out DWP's intention that payment arrangements will only be made under certain circumstances, for instance, if the sole purpose of that business is to sell information.

2 [Social Security Fraud Act 2001](#)

Changes made to the Code of Practice

Changes have been made to include links in the Code under Chapter 5, paragraph 5.4 that refer to DWP's Personal Information Charter and DWP's Information Management Policies, ensuring that any updates are reflected accordingly. The Government does not consider that further amendments to what compensation is required.

Reasonable Grounds, Necessity and Proportionality

Summary of Responses

A common theme from respondents was a request for a clearer, more precise definition of "reasonable grounds" and "reasonable suspicion" as referenced in the section on "Definitions" above.

A number of respondents felt that ambiguity in this area risks inappropriate or unjustified information requests. Some stakeholders also asked for alignment with existing definitions used in other legislation.

Several respondents felt that the Code did not sufficiently explain how necessity and proportionality tests would operate in practice. They asked for greater clarity on the factors that DWP will consider, how decisions will be recorded and justified, and how proportionality thresholds will be monitored, quality assured and enforced. Concerns were also raised that the purpose of these powers within the Code was too general to provide reassurance that the powers would be exercised narrowly and only where strictly required. A number of respondents

also highlighted that the Code did not explain how Information Providers themselves should assess whether a request is lawful, necessary or proportionate.

Government Response

The draft Code sets out a definition of reasonable suspicion and the factors that an Authorised Officer must consider when determining whether the threshold is met. This includes a requirement to base decisions on objective indicators, supported by facts and evidence, rather than assumptions or generalisations.

The concept of “reasonable grounds” is well established in UK law and cuts across a wide range of existing legislation, including in powers exercised by other law enforcement agencies. It is therefore important that the Code remains aligned with the broader approach in law and does not attempt to redefine or go beyond established principles in this area. For this reason, the government does not consider it appropriate to create a definition that diverges from the existing principles of reasonable suspicion.

However, responding to this feedback, we will strengthen the Code to provide clearer examples of the types of factors that may contribute to forming reasonable grounds in practice.

The Government agrees with respondents that it should be clear how necessity and proportionality tests will be applied. These tests are undertaken by trained DWP Authorised Officers, who must reach an independent,

objective judgement based on the specific circumstances of each case.

The Government have listened carefully to concerns expressed about further clarity in this area and, in response, the Code will be updated to explain more clearly:

- the types of considerations Authorised Officers must take into account
- explicit explanation of the requirements to document the decision-making
- rationale for any request and internal checks
- quality-assurance processes that will monitor adherence with these standards

Several respondents sought clarity regarding the responsibilities of Information Providers in determining lawfulness, necessity or proportionality. DWP wishes to reiterate that there is no expectation or legal duty on an Information Provider to make these determinations. The burden of meeting the statutory thresholds rests entirely with DWP. Information Providers are required only to comply with an information notice when issued.

Changes made to the Code of Practice

Changes have been made in the following areas:

- Paragraph 3.4 – additional wording has been added to explain what information is expected to be documented by an Authorised Officer about their decision to issue an Information Notice.

- Paragraph 3.5 – additional wording has been added to ensure there is awareness that quality-assurance checks will form when some information notices are issued.
- Paragraph 3.6 – additional wording has been added to be explicit that when an Authorised Officer issues an information notice, the information sought will be specific to the time period the suspicion relates to.
- Added further information to the list of exemptions to in Appendix 1 to ensure it is easy to understand and jargon free. “Personal information about the recipients of services provided on a free of charge basis in relation to social security, housing (including the provision of free accommodation) or debt. These types of services include free advice, advocacy and crisis support. For example, if a person is seeking support from a domestic abuse charity, DWP cannot request personal information from the charity about that person”.

Complaints and Oversight

Summary of Responses

Several respondents told us that the draft Code did not provide sufficient detail on how the complaints processes would operate in practice. Stakeholders sought clearer explanations of the types of concerns that should be directed to DWP, the ICO or the Parliamentary and Health Service Ombudsman, and how these bodies interact when handling these complaints. Many felt that the absence of timelines, escalation routes and required

evidence made the process difficult to understand and navigate, particularly for smaller organisations and individuals unfamiliar with statutory complaints mechanisms.

Many respondents also highlighted the need for reassurance that complaints will be handled independently and transparently. Some respondents asked for stronger commitments to oversight, including regular reporting, clear explanations of how reviews of Authorised Officer decisions will be conducted, and how unlawful or inappropriate use of the powers would be addressed by oversight bodies. Some responses called for routine publication of complaints data to support accountability and public confidence.

A number of respondents expressed concern that the Code does not provide claimants with a right to appeal an information notice or challenge it prior to it being issued. They argued that individuals should have clearer and more accessible routes for raising concerns, including a clearly signposted point of entry and strengthened appeal, review and independent oversight mechanisms.

Feedback recommended that the operation of the new powers should be subject to an independent review after their first year of operation. They suggested such a review should consider overall impact and effectiveness, equality implications, potential harm to claimants, error and reversal rates, and the wider costs and benefits, including any increased workload for DWP.

Government Response

The Government welcomes respondents' feedback and is committed to ensuring that the Code provides sufficient clarity to enable individuals and organisations to understand how to raise concerns and how those concerns will be handled.

The DWP has established complaints procedures that apply to all aspects of its investigative work, including the use of these powers. These procedures set out how concerns can be raised, the stages of escalation, and the standards to which complaints must be handled.

We acknowledge the request for clearer signposting and will strengthen the Code to provide a more practical explanation of how concerns can be raised with DWP. Where an Information Provider believes they have been treated unjustly, they can already contact DWP to make any representations to discuss their concerns. Further advice will also be provided within the Code regarding how to access DWP's existing complaints process, and the circumstances in which referral to the Information Commissioner's Office (ICO) or the Parliamentary and Health Service Ombudsman (PHSO) may be appropriate.

DWP maintains robust internal safeguards to ensure that the existing powers are used appropriately. This includes internal checks on Authorised Officer decisions by line managers and routine quality assurance checks. These arrangements ensure that decisions are lawful, necessary and proportionate, and that any concerns are

identified and addressed, this will continue when the new powers are introduced.

In addition to these internal controls, once wider powers under the Act are commenced in April 2027, DWP will have the ability to commission His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) and the equivalent inspectorate in Scotland (HMICS) to inspect the end-to-end delivery of DWP's investigations, including the use of information notices. This independent inspection will provide additional assurance that the powers are being exercised responsibly and in accordance with the legislation and the Code.

Where respondents highlighted concerns that there are no appeal or review mechanisms available in respect of an information notice being issued. During the passage of the legislation, DWP made it clear that compliance with an information notice is a legal obligation placed upon an Information Provider which compels the holder of relevant information to provide it to DWP when the tests are met under the legislation.

DWP did not consider it necessary to introduce an appeal mechanism in the use of these powers, given the nature of DWP information notices and the fact they may only be issued to third parties, and only in course of a criminal investigation. Providing a formal right of appeal could unduly delay investigations and would therefore have a significant detrimental impact on the effective delivery of DWP's fraud investigations. If an Information Provider believes they should not have to respond, because for

example the information is exempt from disclosure or no longer held, they should contact the Authorised Officer using the details on the notice. Information Providers may also raise a complaint with DWP if they are dissatisfied with how the notice has been handled.

Under Section 111 of the Social Security Administration Act 1992, intentionally delaying or obstructing DWP in the exercise of these powers constitute a criminal offence. It is therefore important that an Information Provider responds when issued with an Information Notice under these powers, otherwise, they may be liable to be prosecuted.

Following feedback in the Code, it was apparent that there was a misunderstanding of the intended purpose of these powers, which is to issue an information notice only to a third-party Information Provider. The Government will reinforce in the drafting of the Code that an information notice will never be issued to the person suspected of an offence. This reflects the legal safeguards in the legislation, which prevents DWP from compelling a person to provide information that could incriminate them.

Where an Information Provider believes that they should not respond to a notice because the information is exempt from disclosure or because they no longer hold the information requested, they should contact DWP directly using the details provided on the notice. DWP will clarify this process in the Code, including how such concerns will be reviewed and handled.

Changes made to the Code of Practice

Changes have been made in the following areas:

- Paragraph 1.6 – The word “Person” has been removed and amended to say “Third-party” to make clear that an information provider is not the suspect of the alleged fraud.
- Appendix 5: Key Terms and Definitions – Additional wording has been added to the definition of an information provider, to make clear that a suspect will never be considered an information provider on a case that relates to them.

Authorised Officers

Summary of Responses

Whilst some respondents who answered the online form agreed that the Authorised Officer role was clearly explained within the Code of Practice, some of those who responded by email raised questions about the grading of Authorised Officers, they suggested that an ‘Executive Officer’ in the Civil Service was insufficiently senior to deploy these powers.

These responses recommended that the Authorised Officer role should be one grade higher to reflect the gravity of these powers, furthermore some respondents suggested that requests made under these powers should be authorised by someone of at least one grade higher than the Authorised Officer.

Responses raised concerns about the qualifications and training, arguing that the description of the Authorised

Officer role in the Code is too broad and fails to set out the training required, their standards and supervision requirements. A further response recommended that consideration be given to providing Authorised Officers with appropriate professional training and accreditation, rather than relying on internal training.

Government Response

Grading of Authorised Officers

The Government note the concerns about the grading of DWP Authorised Officers but do not agree that the grading should be changed. “Authorised Officers” of an EO grade within DWP currently compel information from third parties and have carried out criminal fraud investigations for a number of years. The EO grade is a junior management level grade within the Civil Service and is the equivalent of a Constable in the Police³.

The behaviours expected of an EO include taking responsibility for making effective and fair decisions, analysing and researching information to support decisions and explaining how decisions have been reached. Therefore, we consider that it is appropriate for these powers to continue to be exercised by Authorised Officers no lower than the EO grade, consistent with DWP’s existing approach.

Training is provided to Authorised Officers by an accredited provider approved by Northumbria University

3 The National Crime Agency’s grading structure shows the Police equivalent of Civil Service grades here: [Recruitment FAQs – National Crime Agency](#)

and the Counter Fraud Professional Awards Board. Officers must obtain their accreditation via either the Accredited Counter Fraud Investigations Programme (ACFIP) or the Government Fraud Investigations Apprenticeship (CFIA)). Once accredited, Authorised Officers become members of the Government Counter Fraud Profession and are required to maintain membership by demonstrating professional competence against the GCFP professional standards. On top of their training and accreditation, internal audits and checks on requests made by Authorised Officers are also in place to ensure that the requests are necessary and proportionate.

Therefore, we consider the training, qualifications and accreditations of an Authorised Officer to be sufficient to continue exercising the expanded information gathering powers.

Changes made to the Code of Practice

Changes have been made in the following areas

- Paragraph 2.5 has been added into the Code, outlining the training and accreditation requirements for Authorised Officers.

Vulnerabilities and Safeguarding

Summary of Responses

Some respondents raised concerns about how the information gathering powers may have an impact on vulnerable claimants and how DWP would communicate with and treat them during the use of these powers,

recommending minimum communication standards, more clearly defining vulnerability within the Code and outlining how a person could flag their vulnerabilities to DWP.

A further point was also raised about the potential impact on a person if their employer receives an information notice to supply information about suspected fraud.

Government Response

The Government agree that where a person with an identified vulnerability is being investigated under suspicion of fraud, DWP must consider what action is appropriate to take, including issuing an Information Notice. However, the intention of a DWP fraud investigation is to investigate an allegation of fraud and to prove or disprove that allegation. Claimants who are the subject of an investigation are not notified they are under investigation during this stage, nor should Information Provider notify suspects of an investigation, as this could prejudice DWP's ability to investigate fraud.

As set out in paragraph 6.13 of the Code of Practice, Authorised Officers must always balance the needs and safety of an individual against the public interest for a DWP fraud case to proceed. Vulnerable Customer Champions and Advance Customer Support Leaders across DWP is available to provide advice to Authorised Officers who deal with vulnerable individuals. DWP also have internal processes in place to support Authorised Officers' interactions with vulnerable individuals at all stages of the investigation. Part of DWP's already established approach to supporting vulnerable individuals

includes set processes for identifying individuals who may need additional support and mandatory staff training on diversity and equality, including disability awareness.

Therefore, the Government do not consider it necessary to incorporate specific processes in the Code, as Authorised Officers are already required to follow set internal processes on how to interact with and support vulnerable individuals during fraud investigations.

Regarding the concern noted that employers receiving information notices may infer that an employee is suspected fraud, the Information Notice which will be issued to an Information Provider clearly explains that there is no presumption of guilt – the information gathering stage of a DWP investigation is to prove or disprove a suspicion of fraud.

Changes made to the Code of Practice

Changes have been made in the following areas:

- Paragraphs 6.14 and 6.15 have been added into the Code, outlining the commitments in DWP's Customer Charter and the obligations placed on DWP by the Equality Act 2010.

Response Conclusion

The consultation on the DWP Eligibility Verification Notices, DWP Direct Deduction and Disqualification from Driving Orders Code of Practice, and DWP Obtaining Information to Support Fraud Investigations in the Welfare System have provided valuable insight into how the new recovery powers are understood by stakeholders. Respondents offered constructive feedback across a broad range of themes, and the Government appreciates the engagement from all contributors.

In response to this feedback, amendments have been made to the Code of Practice to strengthen clarity, reinforce safeguards, and better reflect the original policy intent.

