

SUPPLEMENTARY LEGISLATIVE CONSENT MEMORANDUM (MEMORANDUM NO 5)

THE PUBLIC AUTHORITIES (FRAUD, ERROR AND RECOVERY) BILL

1. This legislative consent memorandum is laid under Standing Order (“SO”) 29 which prescribes that a legislative consent memorandum must be laid, and a legislative consent motion may be tabled, before Senedd Cymru if a UK Parliamentary Bill makes provision in relation to Wales that has regard to devolved matters.
2. The Public Authorities (Fraud, Error and Recovery) Bill (“the Bill”) was introduced in the House of Commons on 22 January 2025. An LCM was laid on the 7 February 2025 and can be found at <https://senedd.wales/media/qlsadndi/lcm-ld16978-e.pdf>
3. In response to government amendments further Supplementary Legislative Consent Memoranda were laid on 6 March 2025.
<https://senedd.wales/media/grthxdes/slcm-ld17040-e.pdf>.
4. In response to government amendments further Supplementary Legislative Consent Memoranda were laid on 7 May 2025.
<https://laiddocuments.senedd.wales/slcm-ld17160-en.pdf>
5. In response to government amendments a further Supplementary Legislative Consent Memoranda were laid on 10 October 2025.
<https://laiddocuments.senedd.wales/slcm-ld17471-en.pdf>
6. On 15 October 2025 non-government amendments were agreed to during Report Stage in the House of Lords.

Policy Objectives

7. The UK Government’s stated policy objectives remain the same as set out in first LCM, which was laid on 7 February 2025 ([lcm-ld16978-e.pdf](https://senedd.wales/media/qlsadndi/lcm-ld16978-e.pdf)).

Summary of the Bill

8. The Bill is sponsored by the Department for Work and Pensions and the UK Cabinet Office.
9. A summary of the Bill was provided in the first LCM and remains accurate.
10. Welsh Government officials and UK Government officials have continued their regular contact in relation to the development of the Bill, including in relation to Government amendments that affect Wales.

Provisions in the Bill for which consent is required

11. The clauses of the Bill as introduced which meet the SO29 Test were 1, 2, 5, 6, 7 (and Schedule 1), 9, 10, 64, 65, 67 and 69 (and Schedule 2).
12. The insertion of clause 37 in the latest version of the Bill means that the numbering of clauses has altered from clause 37.
13. The clauses of the Bill as amended which meet the SO29 Test are now 1, 2, 5, 6, 7, (and Schedule 1), 9, 10, 65, 66, 67, 68 and 70 (and Schedule 2).

UK Government view on the need for consent

14. UK Government has identified clauses 1, 2, 7 (and Schedule 1), 9, 64, 65 and 69 (and Schedule 2) as requiring an LCM.
15. The insertion of clause 37 in the latest version means the UK Government have identified clauses 1, 2, 7, (and Schedule 1) 9, 65, 66, and 70 (Schedule 2) as requiring an LCM.

Update on the position since tabling of amendments on 8 October

16. The amendments were agreed to by the House of Lords on 15 October 2025 during Report Stage. The following amendments make relevant provision for the purpose of SO29:

Non-Government Amendments

a) Clause 2

Clause 2 (Amendment 2 passed 15 October 2025) included the words –
“Whether at the request of that public authority or, where the Minister considers it necessary in the public interest, on the Minister’s own initiative.”

Previously the PSFA could only act at the request of a public authority (including Devolved Welsh Authorities) but now it alters the way in which the PSFA can interact with DWAs. The effect of this is that if the Minister deems it is in the public interest, the PSFA can investigate without a request from a public authority.

Clause 2 was included in the original LCM as it made provision with regard to devolved matters (SO 29) because it applies to DWA’s.

The Public Sector Fraud Authority, acting on behalf of the UK Cabinet Office will assess and prioritise requests made by public authorities in England and Wales to investigate fraud or recover public funds lost through error, or will act upon Ministerial direction to do so, where the Minister considers it necessary in the public interest or on the Minister’s own initiative. The Authority will operate under the Police and Criminal Evidence Act having the same powers of the police to search and recover, but without a power of arrest.

Conclusion

17. In my view, it is appropriate to deal with these provisions in a UK Bill. The legislation is consistent with the Welsh Government's focus on safeguarding public funds from fraud and error.
18. These amendments make supplementary provision to the clauses for which consent was previously sought. As a result, the SLCM remains in line with the consent previously given by the Senedd.

Jane Hutt MS Cabinet Secretary for Social Justice, Trefnydd and Chief Whip
29 October 2025