



Welfare Reform Act 2012

2012 CHAPTER 5

PART 5

SOCIAL SECURITY: GENERAL

Civil penalties

116 Civil penalties for incorrect statements and failures to disclose information

(1) After section 115B of the Social Security Administration Act 1992 there is inserted—

“Civil penalties

115C Incorrect statements etc

- (1) This section applies where—
- (a) a person negligently makes an incorrect statement or representation, or negligently gives incorrect information or evidence—
 - (i) in or in connection with a claim for a relevant social security benefit, or
 - (ii) in connection with an award of a relevant social security benefit,
 - (b) the person fails to take reasonable steps to correct the error,
 - (c) the error results in the making of an overpayment, and
 - (d) the person has not been charged with an offence or cautioned, or been given a notice under section 115A, in respect of the overpayment.
- (2) A penalty of a prescribed amount may be imposed by the appropriate authority—
- (a) in any case, on the person;
 - (b) in a case where the person (“A”) is making, or has made, a claim for the benefit for a period jointly with another (“B”), on B instead of A.

Status: This is the original version (as it was originally enacted).

- (3) Subsection (2)(b) does not apply if B was not, and could not reasonably be expected to have been, aware that A had negligently made the incorrect statement or representation or given the incorrect information or evidence.
- (4) A penalty imposed under subsection (2) is recoverable by the appropriate authority from the person on whom it is imposed.
- (5) Sections 71ZC, 71ZD and 71ZE apply in relation to amounts recoverable by the appropriate authority under subsection (4) as to amounts recoverable by the Secretary of State under section 71ZB (and, where the appropriate authority is not the Secretary of State, those sections so apply as if references to the Secretary of State were to that authority).
- (6) In this section and section 115D—
 - “appropriate authority” means—
 - (a) the Secretary of State, or
 - (b) an authority which administers housing benefit or council tax benefit;
 - “overpayment” has the meaning given in section 115A(8), and the reference to the making of an overpayment is to be construed in accordance with that provision;
 - “relevant social security benefit” has the meaning given in section 121DA(7).

115D Failure to disclose information

- (1) A penalty of a prescribed amount may be imposed on a person by the appropriate authority where—
 - (a) the person, without reasonable excuse, fails to provide information or evidence in accordance with requirements imposed on the person by the appropriate authority in connection with a claim for, or an award of, a relevant social security benefit,
 - (b) the failure results in the making of an overpayment, and
 - (c) the person has not been charged with an offence or cautioned, or been given a notice under section 115A, in respect of the overpayment.
- (2) A penalty of a prescribed amount may be imposed on a person by the appropriate authority where—
 - (a) the person, without reasonable excuse, fails to notify the appropriate authority of a relevant change of circumstances in accordance with requirements imposed on the person under relevant social security legislation,
 - (b) the failure results in the making of an overpayment, and
 - (c) the person has not been charged with an offence or cautioned, or been given a notice under section 115A, in respect of the overpayment.
- (3) Where a person is making, or has made, a claim for a benefit for a period jointly with another, and both of them fail as mentioned in subsection (1) or (2), only one penalty may be imposed in respect of the same overpayment.
- (4) A penalty imposed under subsection (1) or (2) is recoverable by the appropriate authority from the person on whom it is imposed.

- (5) Sections 71ZC, 71ZD and 71ZE apply in relation to amounts recoverable by the appropriate authority under subsection (4) as to amounts recoverable by the Secretary of State under section 71ZB (and, where the appropriate authority is not the Secretary of State, those sections so apply as if references to the Secretary of State were to that authority).
- (6) In this section “relevant change of circumstances”, in relation to a person, means a change of circumstances which affects any entitlement of the person to any benefit or other payment or advantage under any provision of the relevant social security legislation.”
- (2) In section 190 of that Act (parliamentary control of orders and regulations), in subsection (1), before paragraph (za) there is inserted—
“(zzb) regulations under section 115C(2) or 115D(1) or (2);”.