

SOCIAL SECURITY FRAUD ACT 2001

EXPLANATORY NOTES

COMMENTARY ON CLAUSES 1 TO 4

Exchanging Information

Clause 5: Exchange of information with overseas authorities

Background

The current position

72. People are not entitled to means-tested benefits if they are claiming similar benefits in another country or working abroad. In some cases benefits cannot be paid to people living in other countries. Other countries have similar rules. Some people fraudulently claim benefit in more than one country at a time or use false, borrowed or stolen overseas identities to claim benefit fraudulently in the UK.
73. Sharing information with another country about people claiming benefit and living abroad could help both countries prevent and detect benefit fraud. Some limited information is already exchanged with other countries under the regulations that co-ordinate social security provision within the EU and under reciprocal agreements for payment of social security benefits with countries outside the EU. However, these do not provide for the exchange of all the information needed to prevent and detect social security fraud and error.

Recent developments

74. A Memorandum of Understanding between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Ireland concerning co-operation and mutual assistance in the administration of social security programmes (the Memorandum of Understanding) was signed on 9 October 2000. It will enable both countries to improve the administrative efficiency, cost effectiveness and integrity of their social security systems

The measures in the Act

75. The measures in the Act will provide for social security information to be supplied to authorities in other countries that carry out functions relating to social security to facilitate the carrying out of those functions. Information may only be supplied where the Secretary of State is content that arrangements have been made with those countries to exchange information and that the country in question has adequate safeguards in place against the improper use of any information disclosed. As these measures involve international relations, with the agreement of the Northern Ireland Executive, the equivalent powers for the Northern Ireland Department of Social Development to supply social security information to authorities in other countries are provided in this Act.