

**EXPLANATORY MEMORANDUM TO THE
WELFARE FOOD (AMENDMENT NO. 2) REGULATIONS 2004 No.2311**

1. This explanatory memorandum has been prepared by the Department of Health and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 The Regulations enable the Department for Work and Pensions to share information relating to social security, where it relates to benefit under the Social Security Administration Act 1992, with the Department of Health, or with those providing services to the Department of Health, for the purpose of administering the Welfare Food Scheme in Great Britain.

2.2 The Regulations also specify a civil servant in the Department of Health, and any person who is employed in the provision of services to the Department, as a person who will be guilty of an offence if he discloses without lawful authority information acquired in the course of his employment and which relates to a particular person, to the extent that the functions carried out relate to the administration of a scheme made for the purposes of section 13 of the Social Security Act 1988.

2.3 The information will enable the Department of Health to take over responsibility for issuing Welfare Food Scheme tokens to all beneficiaries.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Legislative Background

4.1 This instrument is made under powers conferred on the Secretary of State for Health by sections 13(3) and 13(4) of the Social Security Act 1988 and 175(2) to (5) of the Social Security Contributions and Benefits Act 1992. It amends the Welfare Food Regulations 1996, S.I. 1996/1434.

4.2 The Regulations extend the purposes for which information relating to social security held by the Secretary of State (or the Northern Ireland Department) may be used, where it relates to benefit under the Social Security Administration Act 1992, to include the administration of a scheme made for the purposes of section 13 of the Social Security Act 1988 (at present, only the Welfare Food Scheme). They are required to effect operational changes to the Scheme agreed between the Department of Health and Department for Work and Pensions. The changes accommodate the Department for Work and Pensions' changing role in the administration of social security benefits for pregnant women and families.

4.3 The new powers provided by section 185 of the Health and Social Care (Community Health and Standards) Act 2003 (replacement of the welfare food

schemes: Great Britain have not yet come into force. A first set of draft regulations under these new powers is intended to be issued for consultation in Great Britain later in 2004. They will be subject to an affirmative resolution procedure.

5. Extent

5.1 This instrument applies to Great Britain

6. European Convention on Human Rights

6.1 Not applicable.

7. Policy background

7.1 The Regulations will enable the Department for Work and Pensions to transfer information about Welfare Food Scheme beneficiaries to whom it has issued Scheme tokens on behalf of the Department of Health, to the Department of Health's nominated contractor. The beneficiaries concerned are those pregnant women and families who qualify for Welfare Food Scheme tokens because they are in receipt of either income support or income based jobseekers allowance or pension credit guarantee credit, and do not receive child tax credit. This affects approximately 500,000 families.

7.2 Transfer of the information will enable the Department of Health's contractor to take over responsibility for issuing tokens to these beneficiaries from November 2004. The Department's contractor already issues tokens to those beneficiaries who qualify for the Scheme because they are in receipt of child tax credit only and have an annual family income of £13,480 or less. When the relevant provisions of the Welfare Food (Amendment) Regulations 2004 come into force on 1 October 2004, the Department's contractor will also become responsible for processing applications for the Scheme from newly qualifying pregnant women, and for issuing tokens to them.

7.3 Streamlining arrangements for the issue of Welfare Food Scheme tokens by bringing them into one operation will improve the operation of the current Scheme until it is replaced by a new scheme, Healthy Start. It will also enable the Department for Work and Pensions to withdraw from its role in issuing tokens. That Department's changing role in relation to administering benefits resulting from the introduction of tax credits makes its continuing involvement in the operation of the Welfare Food Scheme impractical.

7.4 The Regulations do not in any way alter the entitlement criteria for beneficiaries whose information is transferred. The only impact on them is that once the data is transferred, some who have previously had to collect Welfare Food Scheme tokens weekly or fortnightly from a Post Office will instead receive them at 4 weekly intervals through the post.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

8.2 The impact on the public sector arising from this instrument is a cost to the Department for Work and Pensions resulting from IT work to manage the data transfer (less than £90k). This will be more than offset by ongoing annual savings once it has withdrawn from its role in issuing Welfare Food Scheme tokens (expected to be £3.5m per year).

9. Contact

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