



RESEARCH PAPER 09/16  
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# ***Saving Gateway Accounts Bill: Committee Stage Report***

**Bill 3 of 2008-09**

This short Bill establishes a government subsidised savings scheme for people of working age on low incomes. The Saving Gateway has been trialled in several regions; the Bill establishes a scheme for the whole of the country.

The Bill had broad cross party support in Committee and only two amendments were made, both of them Government amendments. There were five sittings, two of which were oral evidence sessions.

Timothy Edmonds

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## Summary of main points

The policy intention of the Saving Gateway is to:

- promote a saving habit among working age people on lower incomes by providing an incentive to save through a government contribution for each pound saved; and
- promote financial inclusion by encouraging people to engage with mainstream financial services.

The brief details of the scheme are that eligible savers will open an account with an approved provider. Any savings they make into the account, up to a limit, will be 'matched' by contributions from government payable when the account matures.

Eligibility for gateway accounts will be 'passported' from certain benefits and tax credits. Eligible people will be able to open accounts with financial institutions that have been approved to provide gateway accounts by Her Majesty's Revenue and Customs (HMRC). Gateway accounts will be of a fixed duration. At the end of the account's duration, the Government will make a contribution for each pound saved.

Several of the key aspects of the scheme are not set out in the Bill but are included in draft regulations published during the committee proceedings. The regulations confirm that the matching funds are to be at the rate of 50 pence for every pound saved and an account will last for two years.

This legislation sets out qualifying conditions for eligibility for the Saving Gateway. It imposes a duty on HMRC to issue notices to those who are eligible and to reimburse account providers for the payment of the government contribution, or 'maturity payment', to account holders. Details of the requirements for providers and of the operation of accounts are set out in the draft regulations. The Bill contains additional provisions covering such matters as tax relief, the use of information, penalties and arrangements for appeals against decisions taken by HMRC in relation to the administration of the scheme.

The Saving Gateway was piloted twice between 2002 and 2007 and evaluations of both were broadly supportive of the scheme and its impact on target groups.

The estimated public expenditure cost of the scheme is about £100 million a year once fully established.

In Committee the Bill received broad cross party support and was amended only twice.



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## I Introduction

The *Saving Gateway Accounts Bill* is the second recent major piece of legislation to provide public subsidy to encourage private savings. The first was the *Child Trust Fund Act 2004*. The current Bill shares many features of the earlier legislation and in Committee the Minister drew frequent analogies with the aims and administration of that scheme.

The Bill defines eligibility for the Saving Gateway scheme, provides administrative powers for the revenue authorities, including the approval of scheme providers; and sets out the duties of the providers.

Further details of the Bill and the experience of the two pilots undertaken to trial the Saving Gateway can be found in a Library Research Paper 09/02, [Saving Gateway Accounts Bill](#).

Many of the key details of the scheme are contained in the [draft regulations](#), which were only published in full after the commencement of the Committee proceedings.<sup>1</sup>

## II Second Reading

Second Reading took place on 13 January 2009.<sup>2</sup> It was approved without a division, though there was one on the programme motion. The fact that many of the key details - for example the rate of matching and the limit on contributions - had not yet been made official to an extent limited the scope of some of the debate.

One issue that was raised by several members was eligibility criteria. In particular, the Minister, Yvette Cooper, was pressed several times about making carers automatically eligible for the scheme. The Minister reiterated the Government's intention to focus the scheme on "people of working age who would most benefit from the support and incentive to start saving for the first time".<sup>3</sup> The scheme was, she said, "part of the wider programme of investment in financial inclusion"<sup>4</sup> and evidence from the pilot schemes showed that retention rates of individuals saving after the trial scheme had ended were very high: 41 per cent of new savers continued to do so three months after the scheme ended.<sup>5</sup>

For the Opposition, Mark Hoban described the Bill as "helpful" though its "narrow focus" would not address the systemic low rates of savings in the UK economy.<sup>6</sup> He also raised issues concerning the willingness of the financial institutions to provide accounts; the value of the pilot schemes in saying anything about the long term impact; the additionality of savings the scheme would produce; and the uncertain future of the saved

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<sup>1</sup> Deposited Paper 2009/55

<sup>2</sup> HC Deb 13 January 2009 cc133-174

<sup>3</sup> Ibid c133

<sup>4</sup> Ibid c137

<sup>5</sup> Ibid c136

<sup>6</sup> Ibid c140

funds once the two year saving term was over. Jeremy Browne, for the Liberal Democrats, welcomed a Bill that “commands broad support in principle across the House”.<sup>7</sup> However, he worried about the additionality element - how to stop people simply transferring existing savings to the new accounts once they became eligible. He also raised a point mentioned by constituents concerning the £100 minimum entry levels for other national savings products such as the old ‘post office savings book’ and premium bonds.<sup>8</sup>

Other Members raised the issue of whether accounts would pay interest as well as receive the matched contribution and debated whether the measure had been a previous Conservative manifesto pledge or not. The Bill received Second Reading without a division. The programme motion was subject to a division.

### **III Committee Stage 27 January – 5 February**

The Committee sat five times. The Members of the Committee were:

Ainger, Nick (*Carmarthen, West and South Pembrokeshire*) (Lab)  
Barlow, Ms Celia (*Hove*) (Lab)  
Blizzard, Mr. Bob (*Lord Commissioner of Her Majesty's Treasury*)  
Breed, Mr. Colin (*South-East Cornwall*) (LD)  
Browne, Mr. Jeremy (*Taunton*) (LD)  
Devine, Mr. Jim (*Livingston*) (Lab)  
Duddridge, James (*Rochford and Southend, East*) (Con)  
Hoban, Mr. Mark (*Fareham*) (Con)  
Howell, John (*Henley*) (Con)  
James, Mrs. Siân C. (*Swansea, East*) (Lab)  
Ladyman, Dr. Stephen (*South Thanet*) (Lab)  
Mudie, Mr. George (*Leeds, East*) (Lab)  
Pearson, Ian (*Economic Secretary to the Treasury*)  
Stoate, Dr. Howard (*Dartford*) (Lab)  
Timpson, Mr. Edward (*Crewe and Nantwich*) (Con)  
Walker, Mr. Charles (*Broxbourne*) (Con)

The first and second sessions took oral evidence from witnesses.

#### **A. Oral evidence sessions**

##### **1. First sitting**

Evidence was heard from the following individuals:

Sharon Collard, Personal Finance Research Centre, University of Bristol  
Teresa Perchard, Director of Policy, Citizens Advice  
Brian Pomeroy, Chairman, Financial Inclusion Taskforce

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<sup>7</sup> Ibid c146

<sup>8</sup> Ibid c149

Matthew Wakefield, Senior Research Economist, Institute for Fiscal Studies

Key questions and responses are summarised below:

**Q8 Dr. Ladyman:** So, coming back to Ms Collard and the first pilot, do you think that the lessons that your evaluation revealed are reflected in the Bill? Are there parts of those lessons that still have not been taken account of?

**Sharon Collard:** I think that by and large they have been taken account of. One of the things that we were slightly disappointed about was the level of match. Certainly, in the first pilot, what it showed was that it was pound for pound across the scheme. As well as it being a very good match rate, people appreciated the simplicity and transparency of that. But certainly they were asked in the first evaluation whether they would still be prepared to save at a 50p match. That certainly did not put people off—they still thought that that was very attractive.<sup>9</sup>

Mr Timpson asked about the capability of the intended users of the scheme. Did they have enough knowledge to participate and to benefit from it and not be exploited by banks trying to sell inappropriate extra services? Witnesses responded:

**Sharon Collard:** May I just make the point that there were two elements to the first saving gateway pilot? There was the kind of advice that we have talked about—the partner organisations providing advice and help to open saving gateway accounts. There was also the community finance and learning initiative, running alongside it, which offered things like courses in financial education, where there was evidence of very low take-up. Those are two very different things, and what we are talking about here is the need for advice through mechanisms, such as money guidance and similar things, to help people to make decisions, rather than putting them on a six-week course or something like that. Evidence suggests that that kind of financial education initiative was not very effective, but that does not mean that people do not need advice and guidance.

**Teresa Perchard:** You are right to identify the risk that a customer who is dealing with a fairly large financial institution may receive a lot of offers of other products and services, as a result of opening a savings gateway account. Certainly, in our experience of promoting the take-up of basic bank accounts, which are very safe and cannot be overdrawn—all the all the banks have been offering them—we have come across many cases where people, perhaps people with learning disabilities or with income from benefits, who we advised to look for one of those accounts, have gone into a branch and come away with a full-service account and a credit card with a limit of £2,500. Their parents just shook their heads in horror.

It is very difficult to get large, very impersonal financial services providers to deal with people as individuals. The protection from over-marketing to that group is not in the Bill or in any of the regulations, as far as I am aware. The Government will have to forge with the providers an understanding of how that group of customers will be treated, so that although they are included and not treated as charity cases and have the experience of being mainstream, well-respected customers whose custom is wanted, they are not taken advantage of at the same time if they

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<sup>9</sup> PBC Deb 27 January c5

lack experience. That will be difficult to achieve, but if we can get providers competing to attract such business, they should do so on the basis that they treat those customers properly. They should be trusted providers, not any old provider who walks up and says that they will do it, but I am not sure how you can regulate for that—unless you can take away the right to run these accounts from providers who behave badly in some way. I am not sure whether there is a fall-back to be able to do that.<sup>10</sup>

On the appropriateness of the choice of the 50 pence matching rate:

**Q25 Mr. Jeremy Browne** (Taunton) (LD): [...] Are you satisfied that the 50p rate is the optimum level and that it will maximise savings and minimise the cost of the scheme?

**Matthew Wakefield:** I think that, on the second evaluation of the evidence, we could not see any difference between the effect of the incentive of providing a pound for a pound, as opposed to 50p for a pound. Probably, there was less of an effect from having a 20p match rate, so picking a match rate in the middle therefore seems to be in line with what the second evaluation suggested.

**Mr. Browne:** But 50p is extremely high.

**Matthew Wakefield:** It is true that 50p is still extremely generous.

**Mr. Browne:** I bet that most people who try to save money get about 1 or 2 per cent. if they are lucky. With a 50 per cent. rate, you would expect people to be incentivised.

**Matthew Wakefield:** For money paid in during the last month of the account, the interest rate is effectively much more than 50p. It is a very generous incentive.

**Mr. Browne:** Are we just being cavalier with the costs for that group? Could people be incentivised at a rather lower cost?

**Matthew Wakefield:** The 20p match rate did not seem to have the same effect. Of the three that were trialled, the 50p match rate seemed to be the most sensible option. The cost of providing such accounts is restricted by the eligibility criteria. Only a certain number of people will open the accounts, because of the £25 a month limit on the amount that can be paid in while receiving the match.

**Mr. Browne:** Could more money be put in with a lower rate? Could you dangle a smaller carrot in front of more people? Would that help the overall savings culture that Mark touched on?

**Matthew Wakefield:** Again, from the evidence of the second pilot, I think that 50p is about right for the match rate. It was not clear that the low income group strongly wanted the ability to pay in a larger amount per month. Of course, people who had the cash available would have paid in more and got the match on that.

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<sup>10</sup> Ibid c13

**Mr. Browne:** Does everyone agree with Matthew on the 50p rate? Yes. Thank you<sup>11</sup>

Members touched on the issue of whether there should be controls on how the savings should be spent and/or on the destination of funds after the two year period is up. This issue was raised on several occasions. The Opposition called for the money to be rolled over into a cash ISA. The Government, however, wanted there to be a very simple cash savings account option.

**Q32 Mr. Browne:** I was going to talk about tax free later, but if I do it now, I will spare everyone. May I just summarise? The default option would be a savings account, which you would prefer to be tax free? Is there a consensus that that is a wise way forward?

**Teresa Perchard:** If the money stays in a fairly simple, safe vanilla savings account and the customer decides later whether to have an ISA and, if so, with whom, the money is far less likely to be withdrawn and spent on a second-hand motor. [...]

It is getting people into a savings habit. There is inertia about banking. Everybody hates their bank but will not shift accounts. If the money is there and people feel proud of what they have achieved, there are ways to encourage them to leave as much as possible there. You just have to keep giving people the messages and encouraging them. We have personal accounts [for pensions] coming in 2010—people will get lots of marketing messages about saving for retirement at that time, and they will need to make choices between, say, saving gateway and personal accounts, perhaps for those who are in work. It is a good way to engage people to think about saving for the longer term.

**Matthew Wakefield:** In terms of what it rolls into, I agree that the option of a simple cash account is probably a good idea.<sup>12</sup>

Lastly, the question of whether the gateway account should pay interest or not aroused strong views amongst the experts:

**Teresa Perchard:** I have strong views on this. If this product is designed to get people who have not been saving into the savings habit and it does not include the key feature that you would find in a standard savings account, you are losing the opportunity to engage people with the idea that they earn interest on the money that they put aside. What you are giving them is 50p in the pound, only for them to come out at the end of the day extremely disappointed to find that you cannot get anything like that on the open market. So if you are not providing the interest message—yes, I know that it is a disappointing one at the moment—you are losing that educative opportunity. You are misleading people about what the 50p is. They think that it is interest, and it is not. So I find it difficult to see how it can be tolerable that the accounts will not be interest bearing, even if it is only at the very modest rates that we currently see in such small-value, instant-access accounts.

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<sup>11</sup> Ibid c14

<sup>12</sup> Ibid c16

**Brian Pomeroy:** I agree with that in principle, but I personally feel more comfortable than Teresa with the way the Bill is drafted. It is up to the provider. It would be unfortunate if the Treasury were to mandate a rate of interest and as a result killed off interest in being a provider. If the choice were between interest being mandated and very low provision and interest not being paid—bearing in mind that the saver gets the match—and reasonably full provision, I would go for the latter. That is why taking the product as a whole, I feel more comfortable with the payment of interest not being

**Sharon Collard:** In principle, I agree with Teresa. The issue is how to cope with the transition to another savings account without disappointing people hugely. People in the first saving gateway were attracted to the match funding because they did not understand tax relief or how interest rates worked. There is therefore an issue of the complexity of adding interest to a saving gateway account.

Finally, if interest was included in a saving gateway account, my understanding is that it would no longer be sharia compliant. Such accounts were presented as sharia compliant in the first and second evaluations because they were not interest-bearing.<sup>13</sup>

## 2. Second sitting

Evidence was heard from potential providers of the gateway accounts, and related umbrella organisations:

Helen Banks, Policy Director, Retail Division, British Bankers Association  
Adrian Coles, Director General, Building Societies Association  
Alan Cook, Managing Director, Post Office Ltd  
Mark Lyonette, Chief Executive, Association of British Credit Unions Ltd  
Kevin Seller, Head of Government Services, Post Office Ltd

The main issue discussed was the viability of providing gateway accounts. The Bill makes provision for significant administrative requirements on providers, complex calculations of entitlement and claims for refunds from the HMRC as the end provider of the matched fund sum. The accounts will be overwhelmingly small in size and large in number, run for the benefit of people possibly unused to dealing with financial service providers. It is not obvious that it will be commercially profitable. It was the commercial aspects of the scheme that dominated the second sitting.

**Q49 Mr. Mark Hoban (Fareham) (Con):** This question is for all of you. [...] Can you say, from your various organisational perspectives, where you see the costs arising on the gateway accounts and how attractive they are for the bodies that you represent?

**Helen Banks:** First, there is a fundamental objective of providing a savings facility to people on a low income, and the banks have certainly supported that as part of our overall financial inclusion agenda. You are talking about the specifics and how the product might work in terms of cost of provision. It is fair to say that it

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<sup>13</sup> Ibid cc20-21

will come at a cost. A lot of the work that we have been doing has been about trying to make it as economically viable a product as possible. The benefits to the banking members who decided to provide it would be around reputation, rather than a commercial product earning a particular return for the banks.

**Adrian Coles:** Certainly some building societies will offer this product, but not all of them. Those who are inclined not to offer the product—of course, we do not know until we have seen the full set of regulations—tend to say that the market will be small and the costs will be high. We know that the maximum estimated size of the market is £260 million. That is about 0.6 per cent. of the flow of new deposits in 2007, yet some aspects—the requirement to give statements, the transfer of accounts between different types of institution during the two-year period, the requirement to provide information to Her Majesty’s Revenue and Customs and so on—could lead to significant costs on fairly low-balance products, so for many societies, the jury is out.

I am certain that some societies are sympathetic to the product and will want to offer it, but others, in the current environment of low profitability, low margins, difficulties in the mortgage market and very low interest rates, may decide to stay out of the market.

**Mark Lyonette:** Many of our members would be very keen to offer the account. We may not have some of the same systems costs as banks and building societies in terms of development of banking platforms, but we see the cost of collection as quite significant, in so far as our members would want to encourage take-up, we would try to move away from cash collection and make use of the more cost-efficient ways that we have of collecting money from people on low incomes. We will look to make have payroll deduction agreements with employers of people on low wages. Similarly, for people who are paying their benefit into the credit union, we would look to have deductions from benefit, because even with our cost structure, which obviously is very different from that of Adrian’s and Helen’s members, we cannot look to make this work on cash collection. The cost of collection is not sustainable, in our view.

[...]

**Alan Cook:** The Post Office has been very clear that we would be keen to participate in this initiative. As I said in my introductory remarks, this goes to the heart of the Post Office’s role in terms of financial inclusion. We have the best part of 4 million customers still collecting benefits in cash from post offices. We think that 1.5 million of those are probably eligible for a saving gateway product in their own right. We are actually paying the benefit in cash over the counter.

I would not, though, want to trivialise the cost issue. I might lie somewhere between ABCUL and the banks. I would need to find a partner to provide the administrative capability and would pay that partner to do the work. That partner might well belong to one of the other associations at this table. The economics are there and need to be tackled. The Post Office believes that it would be a good thing to do, and that we need to find a way to make it work. We would expect,

probably, to take a significant market share of the accounts, which would of course make it easier.<sup>14</sup>

In response to later questioning the Post Office representative appeared to be less positive than in his earlier answer; the Credit union representative also outlined new conditions:

**Alan Cook:** That is a tricky question to answer, because it is not yet clear to me how it can be economically viable—full stop. If we obtain a larger market share, it is easier to produce a justification for doing it. [...] There is quite a lot of administration running off very small average balances, which makes it difficult to make the thing pay.

**Q52 Mr. Hoban:** Are we in danger of repeating the mistake made with Santa products, which were low-cost, simple products that were not attractive to providers to retail?

**Alan Cook:** That is the potential risk. If there is over-prescription, you will introduce extra costs. We do business in different ways with our customers, and we should allow the organisations to play to their strengths. Our strength is face to face, for example, as Mr. Lyonette's would be, although he may be working for employers, from what I hear. Mr. Coles already made the point that there is a tendency to have a passbook, for instance, for building society accounts and other assets. If we are very prescriptive, we will force everyone to do things in exactly the same way, and it will rise to the highest average cost if we are not careful. The fundamental problem with all financial inclusion initiatives is that the average amount of money handled will be quite small, and the cost is not really any less just because it is a small amount of money.

**Mark Lyonette:** Even we are looking, to some extent, for hidden subsidies, although not Government cash. We have worked a lot with the social landlord sector, and they are very keen on it. The Chartered Institute of Housing did a big report on savings with rent, a point at which people are parting with money anyway; a small amount can be added if they agree to do so. We may be looking for social landlords to do some of that collection business for us. They are doing that not because the Government or the customer will pay them but because they have an interest—presumably often a strong business interest—in the wider financial inclusion agenda.<sup>15</sup>

## **B. Remaining Committee sessions**

The remaining sessions were largely non-controversial with a series of 'probing' amendments being dealt with to the satisfaction of the Committee by the Minister (Ian Pearson). Several amendments would have the effect of putting in the Bill elements of the scheme that are currently only in the regulations. There were no divisions.

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<sup>14</sup> PBC Deb 27 January 2009 cc26-27

<sup>15</sup> Ibid c28

## 1. Third sitting

This session included a lengthy debate on whether carers as a group should be added to the list of eligible savers. Mr Browne (Liberal Democrats) spoke for the idea:

Amendment 5 is a probing amendment in support of campaigns by the RNIB and Carers UK among others to include additional income replacement benefits in the list of qualifying benefits in subsection (2). That list contains seven benefits and tax credits that confer eligibility. These organisations have suggested that the list should include carer's allowance, housing benefit and council tax benefit. The allowances and tax credits in the list are not all of the same type: some are means-tested and some are not; some apply to income of less than £16,040 a year and some do not. There are no uniform criteria for the seven listed in the Bill, so there is no inherent reason why other forms of benefit or support could not be considered in addition to those seven.

Let me briefly make the case as to why the Minister may wish to consider carer's benefit in particular. According to a report by Carers UK, 75 per cent. of carers struggle to pay their bills and 54 per cent. of those carers were in debt. This is becoming an even more prevalent issue—ironically, given that society as a whole is becoming healthier—because people are having to look after relatives who are ill, for one reason or another. If carer's allowance were included in the list, 290,000 more people would be eligible for the saving gateway. Many of those people—although I admit not all—would be precisely the types of people that the Minister may be keenest to help and encourage through this legislation.<sup>16</sup>

The Minister responded:

First, carers are not excluded from the saving gateway. Those who are in low-income households will be able to claim income support, including the carer's premium, in addition to carer's allowance. There is also a carer's premium in JSA, another qualifying benefit. People who are entitled to either income support or JSA will, as hon. Members will know, be eligible for the saving gateway. Overall, therefore, we expect around 225,000 recipients of carer's allowance to be eligible for the saving gateway.

[...]

Certainly, we believe that about 225,000 recipients of carer's allowance will be eligible for the saving gateway. Making carer's allowance a qualifying benefit would bring many people into eligibility who we believe are outside our target group. Honourable Members will be aware that carer's allowance is available to people who care for a severely disabled person and have earnings lower than £95 per week, who, by any definition, would qualify as people on low incomes.

Therefore, while all recipients of carer's allowance will have low individual earnings, it is not limited to those in low-income households. Extending the scheme to all carers could bring into eligibility some people with higher household incomes. It would also bring many people who are not working age into the scheme. Of some 875,000 people entitled to carer's allowance, about 500,000

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<sup>16</sup> PBC Deb 3 February 2009 c65

are of working age, leaving 375,000 who are not. We have been very clear that the saving gateway is for working-age people on low incomes. Of course, none of this means that we do not recognise and support the important role that carers play in our society. I want to be very clear that many carers will be eligible for the saving gateway, particularly through income support and jobseeker's allowance. Our view is that making carer's allowance itself a qualifying benefit would not be well-targeted, but I appreciate the points made by my hon. Friend.<sup>17</sup>

The Minister promised to "reflect further on the points that have been made".<sup>18</sup>

## 2. Fourth sitting

This session touched on the conflicts between allowing savers to switch accounts between providers and the administrative burdens such switching would impose. It also gave the Minister an opportunity to explain the Government's choice of a 50 pence matching rate, during the debate on an amendment to specify the rate in the Bill itself, rather than in regulations.

**Ian Pearson:** [...] We think as a matter of principle that the match rate is more appropriately dealt with in secondary legislation, because in the light of events, as we evaluate how the saving gateway programme develops, we might want to increase or reduce it.

[...]

as part of sensible contingency planning, any Government would want to include the match rate issue in secondary rather than primary legislation so that if circumstances and evidence indicated that the match rate was not generous enough or too generous, they could alter it without the need for primary legislation. We want to be clear that that would not be done retrospectively, particularly if a lower match rate was being introduced.

To return to the basic question about the 50p match rate—whether it is too high or too low, and why the Government came up with that figure—the first point to make is that our overall policy objective is to kick-start the savings habit. Then it must be asked what the most effective way is to do that. What level of incentive is required to encourage people to save? As the Committee will be aware, we gained information on that matter from the pilots. The second pilot showed that savers found a match rate of 50p for every pound to be a strong incentive to save. A lower match rate would clearly provide less of an incentive to save and would be likely to lead to lower take-up of saving gateway accounts.

The second pilot appears to show that a match rate of 50p for each pound saved made people 10 to 15 percentage points more likely to open an account than a match rate of 20p. Again, in designing saving gateway accounts, as a matter of policy, we had to make judgments about what level would be most likely to get people to participate. As hon. Members will be aware, one pilot looked at a pound-for-pound match rate. I do not think that the evidence suggested that the

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<sup>17</sup> Ibid c67

<sup>18</sup> Ibid c68

more generous match rate would produce significantly more savings. We thought that it was poorer value for money for the taxpayer in terms of encouraging our policy objective.

We are at the 50p rate, we believe that that is attractive and we want to continue on that basis. It will be in secondary legislation, which we will debate in due course. Undoubtedly we can rehearse the arguments again, but on the best evidence available from the pilots, our judgment is that 50p is the rate most likely to help kick-start the savings habit.

The hon. Member for Taunton finally asked how much it is likely to cost. That will clearly depend on take-up rates, but we currently score the cost of making the match payments at £130 million in 2012-13, £110 million in 2013-14 and £100 million in 2014-15.<sup>19</sup>

### 3. Fifth sitting

The last sitting was notable for the only two amendments made to the Bill, both by the Government. Both amendments were regarding a technical point of law affecting appeals in Northern Ireland. The Minister explained:

The Government propose a minor amendment to subsection (2). Hon. Members will know that the subsection sets out the requirement for the content of the notice of appeal to be submitted by the appellant when an appeal is made under clause 23. The amendment would restrict those requirements so that they applied only to those saving gateway appeals that concerned tax matters, and to tax and non-tax saving gateway appeals in Northern Ireland. We intend that other saving gateway appeals should be covered by the separate provision on this point, and that was recently made in the tribunal procedure rules for the social entitlement chapter of the first-tier tribunal. There is little difference in substance between the requirements set out in this Bill and those in the tribunal procedure rules. Both require that the notice of appeal be signed and the grounds for appeal be specified. However, the Government believe it neither necessary nor appropriate for the Bill to contain provision on that point when provision has already been made in the tribunal procedure rules. The rules can be amended in due course so that they apply to saving gateway appeals where appropriate. The amendment would remove any scope for confusion about which set of rules apply.<sup>20</sup>

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<sup>19</sup> PBC Deb 3 February 2009 c104

<sup>20</sup> PBC Deb 5 February 2009 cc129-130