

2014 No. 2888

SOCIAL SECURITY

**The Universal Credit and Miscellaneous Amendments (No.2)
Regulations 2014**

<i>Made</i>	- - - -	<i>29th October 2014</i>
<i>Laid before Parliament</i>		<i>4th November 2014</i>
<i>Coming into force</i>	- -	<i>26th November 2014</i>

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The Secretary of State for Work and Pensions, in exercise of the powers conferred by sections 135(1), (5) and (6), 136(3) and (4), 136A(3), 137(1) and 175(1), (3) and (4) of the Social Security Contributions and Benefits Act 1992(a), sections 5(1)(i), (p) and (r) and (1A) of the Social Security Administration Act 1992(b), sections 4(5), 35(1), 36(1), (2) and (4)(a) of the Jobseekers Act 1995(c), sections 2(3)(b), 15(3) and (6)(b) and 17(1) of the State Pension Credit Act 2002(d), sections 4(2)(a), 24(1) and 25(2), (3) and (5) of, and paragraph 2 of Schedule 2 to the Welfare Reform Act 2007(e) and sections 8(3), 10(2) and (3), 11(4), 19(2)(d), 22(2), 32, 40 and 42 of, and paragraph 4(1), (3) and (4) of Schedule 1 to the Welfare Reform Act 2012(f), makes the following Regulations.

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- (a) 1992 c.4. Section 136A was added by paragraph 3 of Schedule 2 to the State Pension Credit Act 2002 (c.16). Section 137(1) is an interpretation provision and is cited for the meaning of “prescribed”. Section 175(1) is amended by paragraph 29 of Schedule 3 to the Social Security Contributions (Transfer of Functions etc.) Act 1999 (c.2) Section 175(1), (3) and (4) is applied to provisions of the State Pension Credit Act 2002 by section 19(1) of that Act.
 - (b) 1992 c.5 (“the 1992 Act”). Section 5(1)(r) was substituted by section 101(1) of the Welfare Reform Act 2012 and section 5(1A) was inserted by section 99(3) of that Act.
 - (c) 1995 c.18. Section 35(1) is an interpretation provision and is cited for the meaning of “prescribed” and “regulations”.
 - (d) 2002 c.16. Section 17(1) is an interpretation provision and is cited for the meaning of “prescribed” and “regulations”.
 - (e) 2007 c.5. Section 24(1) is an interpretation provision and is cited for the meaning of “prescribed” and “regulations”.
 - (f) 2012 c.5.

The Social Security Advisory Committee has agreed that proposals in respect of these Regulations need not be referred to it^(a).

In respect of provisions in these Regulations relating to housing benefit, in accordance with section 176(1) of the Social Security Administration Act 1992^(b), the Secretary of State has consulted with organisations appearing to him to be representative of the authorities concerned.

Citation and commencement

1.—(1) These Regulations may be cited as the Universal Credit and Miscellaneous Amendments (No.2) Regulations 2014 and come into force on 26th November 2014.

(2) Where any amendment made by these Regulations applies in respect of an existing award of universal credit, that amendment has effect for the purposes of that award—

- (a) on 26th November 2014, if there is an assessment period for that award that begins on that day; or
- (b) if sub-paragraph (a) does not apply, on the first day of the next assessment period for the award to begin after that day.

Extent

2.—(1) These Regulations extend to England and Wales and Scotland only, except as provided by paragraph (2).

(2) Regulation 9(2) extends to England and Wales but applies in relation to England only.

Meaning of “blind”

3.—(1) The Universal Credit Regulations 2013^(c) are amended as follows—

- (a) in regulation 2 (interpretation)^(d)—
 - (i) omit the definition of “registered as blind”;
 - (ii) after the definition of “bereavement allowance” insert—

““blind” means certified as severely sight impaired or blind by a consultant ophthalmologist;”;
- (b) in regulation 24 (the child element) in paragraph (2)(b)(ii) omit the words “registered as”;
- (c) in Schedule 4 (housing costs element for renters) in paragraph 15(2)(a) (exempt renters) omit the words “registered as”.

(2) The Income Support (General) Regulations 1987^(e) are amended as follows—

- (a) in Schedule 2 (applicable amounts)—
 - (i) in paragraph 12 (additional condition for the higher pensioner and disability premiums)—
 - (aa) for sub-paragraph (1)(a)(iii) substitute—

“(iii) is certified as severely sight impaired or blind by a consultant ophthalmologist; or”;
 - (bb) for sub-paragraph (2) substitute—

(a) See sections 172(1) and 173(1)(b) of the 1992 Act.

(b) c.5. Section 176(1) is amended by Schedule 9, paragraph 23 to the Local Government Finance Act 1992 (c.14), Schedule 13, paragraph 3(4) to the Housing Act 1996 (c.52) and section 69(6) of the Child Support, Pensions and Social Security Act 2000 (c.19).

(c) S.I. 2013/376.

(d) There are amendments which are not relevant to this instrument.

(e) S.I. 1987/1967.

“(2) For the purposes of sub-paragraph (1)(a)(iii), a person who has ceased to be certified as severely sight impaired or blind on regaining his eyesight shall nevertheless be treated as severely sight impaired or blind, as the case may be, and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so certified.”;

(ii) in paragraph 13 (severe disability premium)(a)—

(aa) in sub-paragraph (2A) for “blind or is treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”;

(bb) in sub-paragraph (3)(d) for “blind or is treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”;

(iii) in paragraph 14(1)(b) (disabled child premium) (b), for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”; and

(b) in paragraph 18(6)(a) (non-dependant deductions) of Schedule 3 (housing costs), for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”.

(3) The Jobseeker’s Allowance Regulations 1996(c) are amended as follows—

(a) in Schedule 1 (applicable amounts)—

(i) in paragraph 14 (additional conditions for higher pensioner and disability premium)—

(aa) for sub-paragraph (1)(h) substitute—

“(h) the claimant or, as the case may be, his partner, is certified as severely sight impaired or blind by a consultant ophthalmologist.”;

(bb) for sub-paragraph (2) substitute—

“(2) For the purposes of sub-paragraph (1)(h), a person who has ceased to be certified as severely sight impaired or blind on regaining his eyesight shall nevertheless be treated as severely sight impaired or blind, as the case may be, and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so certified.”;

(ii) in paragraph 15 (severe disability premium)—

(aa) in sub paragraph (3) for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”;

(bb) in sub-paragraph (4)(c) for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”;

(iii) in paragraph 16(1)(b) (disabled child premium)(d) for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”;

(iv) in paragraph 20H (additional conditions for higher pensioner and disability premium)(e)—

(aa) for sub-paragraph (1)(i) substitute—

“(i) is certified as severely sight impaired or blind by a consultant ophthalmologist.”;

(bb) for sub-paragraph (3) substitute—

(a) Relevant amending instrument is S.I. 1993/115.

(b) Paragraph 14 was revoked by S.I. 2003/455 but remains in force in relation to certain claimants by virtue of S.I.2003/455. It was substituted by S.I. 2007/719.

(c) S.I. 1996/207; relevant amending instruments are 2000/1978 and 2011/674.

(d) Paragraph 16 was revoked by S.I. 2003/455 but remains in force in relation to certain claimants by virtue of S.I. 2003/455. It was substituted by S.I. 2007/719, relevant amending instrument is S.I. 2011/674.

(e) Paragraph 20H was inserted by S.I. 2000/1978.

“(3) For the purposes of sub-paragraph (1)(i), a person who has ceased to be certified as severely sight impaired or blind on regaining his eyesight shall nevertheless be treated as severely sight impaired or blind, as the case may be, and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so certified.”;

(v) in paragraph 20I (severe disability premium)(a)—

(aa) in sub-paragraph (2) for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”;

(bb) in sub-paragraph (3)(c) for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”; and

(b) in paragraph 17(6)(a) (non-dependant deductions) of Schedule 2 (housing costs) for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”.

(4) The State Pension Credit Regulations 2002(b) are amended as follows—

(a) in Schedule 1—

(i) in paragraph 1 (severe disablement)—

(aa) for sub-paragraph (1)(c)(ii) substitute—

“(ii) the other partner is certified as severely sight impaired or blind by a consultant ophthalmologist; and”;

(bb) for sub-paragraph (3) substitute—

“(3) For the purposes of sub-paragraph (1)(c)(ii), a person who has ceased to be certified as severely sight impaired or blind on regaining his eyesight shall nevertheless be treated as severely sight impaired or blind, as the case may be, and as satisfying the requirements set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so certified.”;

(ii) in paragraph 2(2) (persons residing with the claimant whose presence is ignored)—

(aa) for sub-paragraph (b) substitute—

“(b) is certified as severely sight impaired or blind by a consultant ophthalmologist;”;

(bb) for sub-paragraph (c) substitute—

“(c) is no longer certified as severely sight impaired or blind in accordance with head (b) but was so certified not more than 28 weeks earlier;”;

(b) in Schedule 2 (housing costs)—

(i) for paragraph 1(2)(a)(iii)(cc) (housing costs) substitute:

“(cc) is certified as severely sight impaired or blind by a consultant ophthalmologist or who is within 28 weeks of ceasing to be so certified;”;

(ii) for paragraph 14(6)(a) (persons residing with the claimant) substitute—

“(a) certified as severely sight impaired or blind by a consultant ophthalmologist, or who is within 28 weeks of ceasing to be so certified; or”; and

(c) for paragraph 4(1)(b) of Schedule 6 (sums disregarded from claimant’s earnings) substitute—

“(b) is or are certified as severely sight impaired or blind by a consultant ophthalmologist.”.

(5) The Housing Benefit Regulations 2006(c) are amended as follows—

(a) in regulation 28(13) (treatment of child care charges)(d)—

(a) Paragraph 20I was inserted by S.I. 2000/1978.

(b) S.I. 2002/1792.

(c) S.I. 2006/213.

(d) Relevant amending instruments are S.I. 2013/388 and S.I. 2013/591.

- (i) for sub-paragraph (b) substitute—
 - “(b) who is certified as severely sight impaired or blind by a consultant ophthalmologist;”;
- (ii) in sub-paragraph (c) for “registered as blind in such a register” substitute “certified as severely sight impaired or blind”;
- (b) in regulation 74(6)(a) (non-dependant deductions)(a) for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”;
- (c) in Schedule 3 (applicable amounts)—
 - (i) in paragraph 13 (additional condition for the disability premium)—
 - (aa) for sub-paragraph (1)(a)(v) substitute—
 - “(v) is certified as severely sight impaired or blind by a consultant ophthalmologist; or”;
 - (bb) for sub-paragraph (2) substitute—
 - “(ii) For the purposes of sub-paragraph (1)(a)(v), a person who has ceased to be certified as severely sight impaired or blind on regaining his eyesight shall nevertheless be treated as severely sight impaired or blind, as the case may be, and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so certified”;
 - (ii) in paragraph 14 (severe disability premium)—
 - (aa) in sub-paragraph (3) for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”;
 - (bb) in sub-paragraph (4)(b) for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”; and
 - (iii) in paragraph 16(b) (disabled child premium) for “blind or treated as blind” substitute “severely sight impaired or blind or treated as severely sight impaired or blind”.
- (6) The Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006(b) are amended as follows—
 - (a) in regulation 31(13) (treatment of child care charges)(c)—
 - (i) for sub-paragraph (b) substitute—
 - “(b) who is certified as severely sight impaired or blind by a consultant ophthalmologist;”;
 - (ii) in sub-paragraph (c), for “registered as blind in such a register” substitute “certified as severely sight impaired or blind”;
 - (b) in paragraph 6 (severe disability premium) of Schedule 3 (applicable amounts)—
 - (i) for sub-paragraph (4) substitute—
 - “(4) For the purposes of sub-paragraph (3), a person is blind if he is certified as severely sight impaired or blind by a consultant ophthalmologist.”;
 - (ii) for sub-paragraph (5) substitute—
 - “(5) For the purposes of sub-paragraph (4), a person who has ceased to be certified as severely sight impaired or blind on regaining his eyesight shall nevertheless be treated as blind and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so certified.”;
 - (c) for paragraph 5(1)(b) of Schedule 4 (sums disregarded from claimant’s earnings) substitute—
 - “(b) is or are certified as severely sight impaired or blind by a consultant ophthalmologist; or”.

(a) Relevant amending instrument is 2010/641.

(b) S.I. 2006/214.

(c) Relevant amending instruments are S.I. 2013/388 and S.I. 2013/591.

- (7) The Employment and Support Allowance Regulations 2008(a) are amended as follows—
- (a) for the definition of “blind or severely sight impaired” in paragraph 6(9) (severe disability premium) of Schedule 4 (amounts) substitute—
- “blind or severely sight impaired” means certified as blind or severely sight impaired by a consultant ophthalmologist and a person who has ceased to be certified as blind or severely sight impaired where that person’s eyesight has been regained is, nevertheless, to be treated as blind or severely sight impaired for a period of 28 weeks following the date on which the person ceased to be so certified;”;
- (b) for paragraph 19(6)(a) (non-dependant deductions) of Schedule 6 (housing costs) substitute—
- “(a) certified as blind or severely sight impaired by a consultant ophthalmologist, or who is within 28 weeks of ceasing to be so certified;”.

Universal Credit - calculation of earned income

- 4.—(1) The Universal Credit Regulations 2013 are amended as follows.
- (2) In regulation 55 (employed earnings) after paragraph (4) insert—
- “(4A) A repayment of income tax or national insurance contributions received by a person from HMRC in respect of a tax year in which the person was in paid work is to be treated as employed earnings unless it is taken into account as self-employed earnings under regulation 57(4).”.
- (3) In regulation 57 (self-employed earnings) after paragraph (4) insert—
- “(5) Where the purchase of an asset has been deducted as an expense in any assessment period and, in a subsequent assessment period, the asset is sold or ceases to be used for the purposes of a trade, profession or vocation carried on by the person, the proceeds of sale (or, as the case may be, the amount that would be received for the asset if it were sold at its current market value) are to be treated as a receipt in that subsequent assessment period”.
- (4) For regulation 61 (information for calculating earned income) substitute—

“Information for calculating earned income - real time information etc

- 61.**—(1) Unless paragraph (2) applies, a person must provide such information for the purposes of calculating their earned income at such times as the Secretary of State may require.
- (2) Where a person is, or has been, engaged in an employment in respect of which their employer is a Real Time Information employer—
- (a) the amount of the person’s employed earnings from that employment for each assessment period is to be based on the information which is reported to HMRC under the PAYE Regulations and is received by the Secretary of State from HMRC in that assessment period(b); and
- (b) for an assessment period in which no information is received from HMRC, the amount of employed earnings in relation to that employment is to be taken to be nil.
- (3) The Secretary of State may determine that paragraph (2) does not apply—

(a) S.I. 2008/794.

(b) See also regulation 41(1) of the Universal Credit, Personal Independence Payment, Jobseeker’s Allowance and Employment and Support Allowance (Decision and Appeals) Regulations 2013 (S.I. 2013/381), which provides for an alteration in the amount of employed earnings based on information from HMRC to be prescribed for the purposes of section 159D(1)(b)(vi) of the Social Security Administration Act 1992. The effect of this is that the award may be adjusted without a decision of the Secretary of State (subject to the person having the right to request a decision by the Secretary of State where they dispute the information provided by HMRC).

- (a) in respect of a particular employment, where the Secretary of State considers that the information from the employer is unlikely to be sufficiently accurate or timely; or
- (b) in respect of a particular assessment period where—
 - (i) no information is received from HMRC and the Secretary of State considers that this is likely to be because of a failure to report information (which includes the failure of a computer system operated by HMRC, the employer or any other person); or
 - (ii) the Secretary of State considers that the information received from HMRC is incorrect, or fails to reflect the definition of employed earnings in regulation 55, in some material respect.

(4) Where the Secretary of State determines that paragraph (2) does not apply, the Secretary of State must make a decision as to the amount of the person's employed earnings for the assessment period in accordance with regulation 55 (employed earnings) using such information or evidence as the Secretary of State thinks fit.

(5) When the Secretary of State makes a decision in accordance with paragraph (4) the Secretary of State may—

- (a) treat a payment of employed earnings received by the person in one assessment period as received in a later assessment period (for example where the Secretary of State has received the information in that later period or would, if paragraph (2) applied, have expected to receive information about that payment from HMRC in that later period); or
- (b) where a payment of employed earnings has been taken into account in that decision, disregard information about the same payment which is received from HMRC.

(6) Paragraph (5) also applies where the Secretary of State makes a decision under regulation 41(3) of the Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Decisions and Appeals) Regulations 2013^(a) in a case where the person disputes the information provided by HMRC.

(7) In this regulation "Real Time Information Employer" has the meaning in regulation 2A(1) of the PAYE Regulations^(b)."

(5) For regulation 62 (minimum income floor) substitute—

“Minimum income floor

62.—(1) This regulation applies to a claimant who—

- (a) is in gainful self-employment (see regulation 64); and
- (b) would, apart from this regulation, fall within section 22 of the Act (claimants subject to all work-related requirements).

(2) Where this regulation applies to a single claimant, for any assessment period in respect of which the claimant's earned income is less than their individual threshold, the claimant is to be treated as having earned income equal to that threshold.

(3) Where this regulation applies to a claimant who is a member of a couple, for any assessment period in respect of which—

- (a) the claimant's earned income is less than their individual threshold; and
- (b) the couple's combined earned income is less than the couple threshold,

(a) S.I.2013/381.

(b) Regulation 2A was inserted by S.I.2012/822.

the claimant is to be treated as having earned income equal to their individual threshold minus any amount by which that amount of earned income combined with their partner's earned income would exceed the couple threshold.

(4) In this regulation, references to the claimant's individual threshold and to the couple threshold are to the amounts set out in regulation 90(2) and 90(3) respectively, converted to net monthly amounts by—

- (a) multiplying by 52 and dividing by 12; and
- (b) deducting such amount for income tax and national insurance contributions as the Secretary of State considers appropriate.

(5) An assessment period referred to in this regulation does not include an assessment period which falls wholly within a start-up period or begins or ends in a start-up period.”.

(6) In regulation 77(3)(c) omit the words from “in relation to” to the end.

(7) In regulation 90 (claimants subject to no work-related requirements) for paragraph (5) substitute—

“(6) A claimant falls within section 19 of the Act if they are treated as having earned income in accordance with regulation 62 (minimum income floor).”

Payments on account and accounts into which payments may be made

5.—(1) The Social Security (Payments on Account of Benefit) Regulations 2013(a) are amended as follows—

- (a) in regulation 5(1)(b) (payment on account of benefit where there is no award of benefit), after “satisfied” insert “(or will be satisfied during the period in respect of which the payment is to be made)”
- (b) for regulation 9 (payments on account of benefit by direct credit transfer) substitute—

“Payment by direct credit transfer

9. A payment on account of benefit may be paid by way of direct credit transfer into a bank account or other account nominated by A or a person acting on A's behalf.”;

- (c) for regulation 18 (payment of budgeting advances by direct credit transfer) substitute—

“Payment by direct credit transfer

18. A budgeting advance may be paid by way of direct credit transfer into a bank account or other account nominated by B or a person acting on B's behalf.”.

(2) For regulation 21(1) of the Social Security (Claims and Payments) Regulations 1987(b) (direct credit transfer) substitute—

“(1) The Secretary of State may arrange for benefit to be paid by way of direct credit transfer into a bank or other account nominated by the person entitled to benefit or a person acting on their behalf.”.

(3) For regulation 46(1) of the Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Claims and Payments) Regulations 2013 (c) (direct credit transfer) substitute—

“(1) The Secretary of State may arrange for benefit to be paid by way of direct credit transfer into a bank or other account nominated by the person entitled to benefit, a person acting on their behalf under regulation 57(1) or a person referred to in regulation 57(2).”.

(a) S.I.2013/383.
(b) S.I.1987/1968. Amended by S.I.2012/757.
(c) S.I.2013/380.

Universal Credit - deductions from benefit and direct payments

6.—(1) The Universal Credit, Personal Independence Payment, Jobseeker’s Allowance and Employment and Support Allowance (Claims and Payments) Regulations 2013 are amended as follows.

- (2) In Schedule 6 (deductions from benefit and direct payment to third parties)—
- (a) in paragraph 4(4) (maximum amount)—
- (i) omit “paragraph 7 (rent and service charges included in rent) or”, and
 - (ii) after “(fuel costs)”, insert “, or the minimum amount which may be deducted under paragraph 7 (rent and service charges included in rent)”;
- (b) in paragraph 5(2) (priority as between certain debts)—
- (i) in paragraph (b) after “Schedule”, insert “where the amount of the deduction equals 10% of the standard allowance”;
 - (ii) after paragraph (p) insert—
“(pa) paragraph 7 (rent and service charges included in rent) where the amount of deduction exceeds the minimum amount that may be deducted under that paragraph;”;
- (c) in paragraph 7(5) (rent and service charges included in rent) for the words “equal to 5%”, substitute “which is no less than 10% and no more than 20%”.

Up-rating of Universal Credit

7.—(1) The Social Security Administration Act 1992(a) is amended as follows—

- (a) in section 150 (annual uprating of benefits)—
- (i) at the beginning of subsection (10) insert the words “Subject to subsection (10ZA),”;
 - (ii) after subsection 10 insert—
“(10ZA) An order under this section shall be framed so that—
- (a) any alteration to any of the sums referred to in subsection (1)(n) or otherwise specified in regulations under Part 1 of the Welfare Reform Act 2012 (universal credit) comes into force in relation to a person on the relevant day; and
 - (b) any other alteration to which the order relates comes into force, for the purposes of determining the amount of universal credit to which a person is entitled, on the relevant day.
- (10ZB) In subsection (10ZA) “relevant day”, in relation to a person, means the first day of the first universal credit assessment period in respect of the person which begins on or after—
- (a) the Monday of the week specified in subsection (10)(a)(i), or
 - (b) any earlier date specified under subsection (10)(a)(ii).”;
- (b) in section 150A (annual up-rating of basic pension etc. and standard minimum guarantee)—
- (i) at the beginning of subsection (7) insert the words “Subject to subsection (7A),”;
 - (ii) after subsection (7) insert —
“(7A) An order under this section shall be framed so that any alteration to which the order relates comes into force, for the purposes of determining the amount of universal credit to which a person is entitled, on the relevant day.
- (7B) In subsection (7A) “relevant day”, in relation to a person, means the first day of the first universal credit assessment period in respect of the person which begins on or after the Monday of the week specified in subsection (7). ”;

(a) 1992 c. 5.

- (c) In section 191 (interpretation), at the appropriate place insert—
- ““universal credit assessment period” means an assessment period for the purposes of Part 1 of the Welfare Reform Act 2012;”.
- (2) The Welfare Benefits Up-rating Act 2013(a) is amended as follows—
- (a) in section 1 (up-rating of certain social security benefits for tax years 2014-15 and 2015-16)—
- (i) at the beginning of subsection (2) insert the words “Subject to subsection (2A),”;
- (ii) after subsection (2) insert—
- “(2A) An order under this section shall be framed so that—
- (a) any variation of the relevant sums referred to in paragraphs 1(j) to (1) of the Schedule (sums specified under Part 1 of the Welfare Reform Act 2012) comes into force in relation to a person on the relevant day; and
- (b) any other variation to which the order relates comes into force, for the purposes of determining the amount of universal credit to which a person is entitled, on the relevant day.
- (2B) In subsection (2A) “relevant day”, in relation to a person, means the first day of the first universal credit assessment period in respect of the person which begins on or after—
- (a) the Monday of the week specified in subsection (2)(a), or
- (b) any earlier date specified under subsection (2)(b).
- (2C) In subsection (2B) “universal credit assessment period” means an assessment period for the purposes of Part 1 of the Welfare Reform Act 2012.”.

Suspension of work-related requirement where child affected by death or violence

- 8.—**(1) The Universal Credit Regulations 2013 are amended as follows.
- (2) After regulation 98(1)(b) (victims of domestic violence) insert—
- “(1A) Where a claimant referred to in paragraph (1) is a person who falls within section 22 of the Act (claimants subject to all work-related requirements) and is the responsible carer of a child, the Secretary of State must not impose a work search requirement or a work availability requirement on that claimant for a further period of 13 consecutive weeks beginning on the day after the period in paragraph (1)(a) expires.”.
- (3) In regulation 99(c) (circumstances in which requirements must not be imposed)—
- (a) in paragraph (1) in both places where it appears and in paragraph (2), after “(4)”, insert “, (4A),”;
- (b) after paragraph (4) insert—
- “(4A) This paragraph applies for one or more periods of one month, as provided for in paragraphs (4B) and (4C), where the claimant is the responsible carer of a child and an event referred to in sub-paragraph (a) or (b) has taken place in the last 24 months and has resulted in significant disruption to the claimant’s normal childcare responsibilities—
- (a) any of the following persons has died—
- (i) a person who was previously the responsible carer of that child;
- (ii) a parent of that child;
- (iii) a brother or sister of that child; or

(a) 2013 c. 16.

(b) In regulation 98(4) the definitions of “coercive behaviour”, “controlling behaviour” and “domestic violence” substituted for definition of “domestic violence” by regulation 3(9) of S.I. 2013/1508. The definition of “registered social worker” was amended by regulation 2(6) of S.I. 2014/597.

(c) Regulation 99 has been amended by S.I. 2014/597.

(iv) any other person who, at the time of their death, normally lived in the same accommodation as that child and was not a person who was liable to make payments on a commercial basis in respect that accommodation; or

(b) the child has been the victim of, or witness to, an incident of violence or abuse and the claimant is not the perpetrator of that violence or abuse.

(4B) Paragraph (4A) is not to apply for more than one period of one month in each of the 4 consecutive periods of 6 months following the event (and, if regulation 98 or paragraph (3)(d) of this regulation applies in respect of the same event, that month is to run concurrently with any period for which that regulation or paragraph applies).

(4C) Each period of one month begins on the date specified by the Secretary of State after the claimant has notified the Secretary of State of the circumstances in paragraph (4A) provided that the Secretary of State is satisfied that the circumstances apply.”

Rent Repayment Orders and the supply of Universal Credit information

9.—(1) The Social Security Administration Act 1992 is amended as follows—

(a) after section 133 (furnishing of addresses for maintenance proceedings, etc.) insert the heading “Universal Credit information”; and

(b) after that heading insert—

“133A. Supply of universal credit information

(1) This section applies to information that is held by—

(a) the Secretary of State; or

(b) a person providing services to the Secretary of State, in connection with the provision of those services,

that relates to an award of universal credit.

(2) Information to which this section applies may be supplied to—

(a) a local housing authority;

(b) a licensing authority; or

(c) a person authorised to exercise any function of a local housing authority or a licensing authority,

for use in connection with obtaining a rent repayment order in respect of an award of universal credit or recovering an amount payable under such an order.

(3) For the purposes of this section—

“licensing authority” means a person designated by order under section 3 of the Housing (Wales) Act 2014^(a);

“local housing authority” has the meaning given by section 261 of the Housing Act 2004^(b); and

“rent repayment order” means a rent repayment order as referred to in section 73 or 96 of the Housing Act 2004 or section 32 of the Housing (Wales) Act 2014.”

(2) The Rent Repayment Orders (Supplementary Provisions) (England) Regulations 2007^(c) are amended as follows—

(a) In regulation 1(3) (citation, commencement, application and interpretation), for the definition of “relevant award of universal credit” substitute—

““relevant award of universal credit” means—

(a) 2014 anaw. 7.

(b) 2004 c. 34

(c) S.I. 2007/572. Regulations 1 and 2 were amended by S.I. 2013/630.

- (a) for the purposes of sections 73 and 74 of the Act, an award as referred to in subsection (6A) of that section 73;
- (b) for the purposes of sections 96 and 97 of the Act, as award as referred to in subsection (6A) of that section 96.”;
- (b) In regulation 2 (overpayments of housing benefit)—
 - (i) for the heading substitute “Overpayments of housing benefit or universal credit”; and
 - (ii) in paragraph (2)(b), for “section 74(2A)(a)” substitute “section 74(2A)(a) or 97(2A)(a)”.

Signed by authority of the Secretary of State for Work and Pensions

Freud
Parliamentary Under Secretary of State
Department for Work and Pensions

29th October 2014

EXPLANATORY NOTE

(This note is not part of the Regulation)

These Regulations amend a number of different regulations relating to social security. The amendments relate to the new social security benefits introduced under the Welfare Reform Act 2012, in particular, universal credit and the new-style jobseeker’s allowance and employment and support allowance, as well as to certain, older benefits including income support and income-based jobseeker’s allowance.

Regulation 3 amends respectively the Universal Credit Regulations 2013 (S.I. 2013/376), the Income Support (General) Regulations 1987 (S.I. 1987/1967), the Jobseeker’s Allowance Regulations 1996 (S.I. 1996/207) the State Pension Credit Regulations 2002 (S.I. 2002/1792), the Housing Benefit Regulations 2006 (S.I. 2006/213), the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 (S.I. 2006/214) and the Employment and Support Allowance Regulations 2008 (S.I. 2008/794).

These amendments replace the current method by which a person is determined to be blind with the condition that they must be certified as severely sight impaired or blind by a consultant ophthalmologist. This is relevant for the purposes of calculating the amount of benefit payable to a claimant, such as when determining entitlement to an additional amount of benefit or calculating income.

Regulation 4 makes various amendments to the Universal Credit Regulations regarding the calculation of earned income.

Regulation 4(2) inserts a new paragraph (4A) into regulation 55 (employed earnings), which provides that certain repayments of income tax and national insurance contributions are treated as earned income.

Regulation 4(3) inserts a new paragraph (4A) into regulation 57 (self-employed earnings), which provides for the sale value of a business asset sold or no longer used for the purposes of self-employment to be treated as a receipt where the purchase value was previously deducted as an expense.

Regulation 4(4) substitutes a new regulation 61 (information for calculating earned income) into the Universal Credit Regulations. It provides that a person’s earned income is calculated either on the basis of information which they are required to provide to the Secretary of State or information reported to HMRC under the PAYE Regulations (where a person is employed by a Real Time Information employer) or, in certain circumstances, as decided by the Secretary of State.

Regulation 4(5) substitutes a new regulation 62 (minimum income floor) into the Universal Credit Regulations and regulation 4(6) substitutes a new paragraph into regulation 90(5) (claimants

subject to no work-related requirements) into the same regulations. This provides that a claimant in gainful self-employment is assumed to have an amount of earned income set by reference to their individual threshold (and, in a case where a claimant is a member of a couple, the couple threshold) and is not subject to any work-related requirements.

Regulation 5(1)(a) amends the Social Security (Payments on Account of Benefit) Regulations 2013 (SI 2013/383) (“the Payments on Account Regulations”) to ensure that where the claimant has to serve waiting days before certain benefits are due to be paid, a short-term benefit advance may be paid during (but not for) those days.

Regulation 5(2) and (3) amend respectively the Social Security (Claims and Payments) Regulations 1987 (SI 1987/1968) and the Universal Credit, Personal Independence Payment, Jobseeker’s Allowance and Employment and Support Allowance (Claims and Payments) Regulations 2013 (SI 2013/380) (“the Claims and Payments Regulations”) to ensure that benefit can, in principle, be paid by direct credit transfer into any account nominated by the person entitled to the benefit or a person acting on his behalf. Regulation 5(1)(b) and (c) make identical provision for payment of short-term benefit advances and budgeting advances under the Payment on Account Regulations.

Regulation 6 amends Schedule 6 to the Claims and Payments Regulations to permit a deduction of between 10% and 20% of the claimant’s standard allowance in universal credit to be made and paid directly to a claimant’s landlord to cover arrears of rent. The amendment in paragraph (2)(a) allows the usual maximum level of deduction from the standard allowance (40% of the standard allowance) to be exceeded to allow a deduction equal to 10% of the standard allowance to be made to pay for rent arrears. The amendments in paragraph (2)(b) amend the priority order for deductions. The amendment in paragraph (2)(c) increases the amount which may be deducted to pay rent arrears from 5% to an amount no less than 10% and no more than 20% of the standard allowance in universal credit.

Regulation 7 amends the Social Security Administration Act 1992 (c. 5) and the Welfare Benefits Up-rating Act 2013 (c.16) to ensure that the current up-rating legislation applies directly to universal credit, as well as to existing weekly benefits, and aligns with the monthly assessment period cycle in universal credit. The amendments allow for up-ratings to the various elements of universal credit to be brought into force from the start of the first assessment period beginning on or after the first Monday of the tax year (or from the start of the first assessment period beginning on or after any earlier date in April specified in an up-rating order). They also allow for the up-rating of other benefits or elements which are taken into account in universal credit to be applied in universal credit from the start of the same assessment period in which the various elements of a claimant’s universal credit award are up-rated.

Regulation 8 makes various amendments to regulation 98(1) (victims of domestic violence) and regulation 99 (circumstances in which requirements must not be imposed) of the Universal Credit Regulations. These extend the time-limited exemptions from certain work-related requirements which apply to certain claimants who are responsible carers for children.

Regulation 8(2) specifies a further period during which work availability and work search requirements may not be imposed on any claimant who is usually subject to all work-related requirements, where they are a responsible carer for a child and have recently been a victim of domestic violence.

Regulation 8(3) creates further time-limited exemptions from work search and work availability requirements for any claimant who is the responsible carer for a child, where there has been a significant disruption to their normal childcare responsibilities in the last two years as a result of the child experiencing one of a specified list of bereavements, or being a victim of, or witness to, an incident of violence or abuse not perpetrated by the claimant.

Regulation 9(1) inserts a new subsection 133A into the Social Security Administration Act 1992 (c. 5) in connection with the obtaining or enforcement of rent repayment orders under section 73 or 96 of the Housing Act 2004 (c. 34) or section 32 of the Housing (Wales) Act 2014 (anaw.7). In deciding on the amount of a rent repayment order under those sections, a tribunal will take account

of the amount of housing benefit that has been paid in respect of the rental of the property in question, or of the amount of the housing costs element included in the calculation of an award of universal credit where such an award has been paid in respect of the rental of that property.

The new section 133A permits the Secretary of State, or a person providing services to the Secretary of State, to supply information that the Secretary of State or that person holds relating to an award of universal credit to a local housing authority (LHA), or to a licensing authority designated under section 3 of the Housing (Wales) Act 2014, for use in connection with obtaining such a rent repayment order, or recovering an amount payable under such an order. The section also permits such information to be provided to a person authorised to exercise any function of an LHA or licensing authority.

Regulation 9(2) amends the Rent Repayment Orders (Supplementary Provisions) (England) Regulations 2007 (S.I. 2007/572) in order to make it clear that the Regulations apply both to rent repayment orders under section 73 of the Housing Act 2004 and to such orders under section 96 of that Act.

An impact assessment has not been produced for this instrument as it has no impact on business and civil society organisations. The instrument has no impact on the public sector.

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£6.00

UK2014102924 11/2014 19585

<http://www.legislation.gov.uk/id/uksi/2014/2888>

ISBN 978-0-11-112273-0



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