
STATUTORY RULES OF NORTHERN IRELAND

2016 No. 216

The Universal Credit Regulations (Northern Ireland) 2016

PART 6

CALCULATION OF CAPITAL AND INCOME

CHAPTER 2

EARNED INCOME

Modifications etc. (not altering text)

- C1** Pt. 6 Ch. 2 applied (coming into force in accordance with reg. 1(3) of the amending Rule) by [The Social Security \(Payments on Account of Benefit\) Regulations \(Northern Ireland\) 2016 \(S.R. 2016/223\)](#), regs. 1(3)(h), **13(7)**

Meaning of “earned income”

51. “Earned income” means—

- (a) the remuneration or profits derived from—
 - (i) employment under a contract of service or in an office, including elective office,
 - (ii) a trade, profession or vocation, or
 - (iii) any other paid work; or
- (b) any income treated as earned income in accordance with this Chapter.

Meaning of other terms relating to earned income

52.—(1) In this Chapter—

- “car” has the meaning in section 268A of the Capital Allowances Act 2001 ^{M1};
- “employed earnings” has the meaning in regulation 55;
- “gainful self-employment” has the meaning in regulation 65;
- “HMRC” means Her Majesty's Revenue and Customs;
- “motor cycle” has the meaning in section 268A of the Capital Allowances Act 2001;
- “the PAYE Regulations” means the Income Tax (Pay As You Earn) Regulations 2003 ^{M2};
- “relievable pension contributions” has the meaning in section 188 of the Finance Act 2004 ^{M3};
- “self-employed earnings” has the meaning in regulation 57;
- “start-up period” has the meaning in regulation 64.

(2) References in this Chapter to a person participating as a service user are to—

Status: Point in time view as at 02/04/2023.

Changes to legislation: There are currently no known outstanding effects for the The Universal Credit Regulations (Northern Ireland) 2016, CHAPTER 2. (See end of Document for details)

- (a) a person who is being consulted by or on behalf of—
 - (i) a body which has a statutory duty to provide services in the field of health, social care or social housing, or
 - (ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such services,
 in their capacity as a user, potential user, carer of a user or person otherwise affected by the provision of those services,
- (b) a person who is being consulted by or on behalf of—
 - (i) the Department in relation to any of its functions in the field of social security or child support or under section 1 of the Employment and Training Act (Northern Ireland) 1950^{M4} (general functions of the Department as to employment and training for employment), or
 - (ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such functions,
 in their capacity as a person affected or potentially affected by the exercise of those functions or the carer of such a person, or
- (c) the carer of a person consulted under sub-paragraph (a) or (b).

Marginal Citations

- M1** 2001 c. 2; section 268A was inserted by section 30 of the Finance Act 2009 c. 10.
- M2** S.I. 2003/2682.
- M3** 2004 c. 12.
- M4** 1950 c. 29.

Calculation of earned income – general principles

53.—(1) The calculation of a person's earned income in respect of an assessment period is, unless otherwise provided in this Chapter, to be based on the actual amounts received in that period.

- (2) Where the Department—
 - (a) makes a determination as to whether the financial conditions in Article 10 of the Order are met before the expiry of the first assessment period in relation to a claim for universal credit, or
 - (b) makes a determination as to the amount of a person's [^{F1}earned] income in relation to an assessment period where a person has failed to report information in relation to that earned income,

that determination may be based on an estimate of the amounts received or expected to be received in that assessment period.

Textual Amendments

- F1** Word in reg. 53(2)(b) substituted (28.11.2018) by [The Universal Credit and Jobseekers Allowance \(Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2018 \(S.R. 2018/187\)](#), regs. 1(2), **3(5)**

Surplus earnings

- [^{F2}**54.**—(1) This regulation applies in relation to a claim for universal credit where—

- (a) the claimant, or either of joint claimants, had an award of universal credit that terminated within the 6 months ending on the first day in respect of which the claim is made (“the old award”);
- (b) the claimant has not, or neither of joint claimants has, been entitled to universal credit since the old award terminated; and
- (c) the total earned income in the month that would have been the final assessment period for the old award, had it not terminated, exceeded the relevant threshold.

(2) Where this regulation applies, any surplus earnings that are to be taken into account in relation to the claim in accordance with paragraph (3) are to be treated as earned income for the purposes of determining whether there is entitlement to a new award and, if there is entitlement, calculating the amount of the award.

(3) Surplus earnings are—

- (a) if the claim in question is the first since the termination of the old award, the amount of the excess referred to in paragraph (1)(c) (“the original surplus”);
- (b) if the claim in question is the second since the termination of the old award, the amount, if any, by which —
 - (i) the original surplus, plus
 - (ii) the total earned income in the month that would have been the first assessment period in relation to the first claim,exceeded the relevant threshold (“the adjusted surplus”);
- (c) if the claim in question is the third since the termination of the old award, the amount, if any, by which —
 - (i) the adjusted surplus from the second claim, plus
 - (ii) the total earned income in the month that would have been the first assessment period in relation to the second claim,exceeded the relevant threshold;
- (d) if the claim in question is the fourth or fifth since the termination of the old award, an amount calculated in the same manner as for the third claim (that is by taking the adjusted surplus from the previous claim).

(4) For the purposes of paragraph (3)—

- (a) if the claim in question is the first joint claim by members of a couple, each of whom had an old award (because each was previously entitled to universal credit as a single person or as a member of a different couple), the amounts of any surplus earnings from the old award, or from a previous claim, that would have been taken into account if they had each claimed as a single person are to be aggregated; and
- (b) if the claim in question is —
 - (i) a single claim where the claimant had an old award, or made a subsequent claim, as a joint claimant, or
 - (ii) a joint claim where either claimant had an old award, or made a subsequent claim, as a member of a different couple,

the original surplus, or any adjusted surplus, is to be apportioned in the manner determined by the Department.

(5) No amount of surplus earnings is to be taken into account in respect of a claimant who has, or had at the time old award terminated, recently been a victim of domestic violence (within the meaning given by regulation 96).

Status: Point in time view as at 02/04/2023.

Changes to legislation: There are currently no known outstanding effects for the The Universal Credit Regulations (Northern Ireland) 2016, CHAPTER 2. (See end of Document for details)

(6) In this regulation—

“total earned income” is the earned income of the claimant or, if the claimant is a member of a couple, the couple’s combined earned income, but does not include any amount a claimant would be treated as having by virtue of regulation 63 (the minimum income floor);

“the nil UC threshold” is the amount of total earned income above which there would be no entitlement to universal credit, expressed by the following formula—

$$[\text{F}^3 (M - U) / 55 \times 100 + \text{WA}]$$

where—

M is the maximum amount of an award of universal credit;

U is unearned income;

WA is the work allowance.

“the old award” does not include an award the last day of which falls before [^{F4}8th May 2018].

“the relevant threshold” is the nil UC threshold plus £300.]

Textual Amendments

- F2** Reg. 54 substituted (8.5.2018) by [The Universal Credit \(Persons Required to Provide Information, Miscellaneous Amendments and Saving and Transitional Provision\) Regulations \(Northern Ireland\) 2018 \(S.R. 2018/92\)](#), regs. 1(2), **6(8)**
- F3** Words in reg. 54(6) substituted (24.11.2021) by [The Universal Credit \(Work Allowance and Taper\) \(Amendment\) Regulations \(Northern Ireland\) 2021 \(S.R. 2021/302\)](#), regs. 1(1), **2(2)**
- F4** Words in reg. 54(6) substituted (28.11.2018) by [The Universal Credit and Jobseekers Allowance \(Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2018 \(S.R. 2018/187\)](#), regs. 1(2), **3(6)**

[^{F5}Transitional provision – temporary de minimis period

54A.—(1) For the purposes of applying regulation 54 (surplus earnings) in relation to a claim for universal credit made in respect of a period that begins before the end of the temporary de minimis period, the meaning of “relevant threshold” in paragraph (6) of that regulation is modified by substituting “£2,500” for “£300”.

(2) For the purposes of paragraph (1), the “temporary de minimis period” is the period beginning with the coming into force of regulation 54 and ending on 31st March 2019, but may be extended by the Department if the Department considers it necessary to do so to safeguard the efficient administration of universal credit.]

Textual Amendments

- F5** [Reg. 54A](#) inserted (8.5.2018) by [The Universal Credit \(Persons Required to Provide Information, Miscellaneous Amendments and Saving and Transitional Provision\) Regulations \(Northern Ireland\) 2018 \(S.R. 2018/92\)](#), regs. 1(2), **6(9)**

Employed earnings

55.—(1) This regulation applies for the purposes of calculating earned income from employment under a contract of service or in an office including elective office (“employed earnings”).

(2) Employed earnings comprise any amounts that are general earnings as defined in section 7(3) of the ITEPA but excluding—

- (a) amounts that are treated as earnings under Chapters 2 to 11 of Part 3 of that Act (employment income: earnings and benefit etc treated as income), and
 - (b) amounts that are exempt from income tax under Part 4 of that Act (employment income: exemptions).
- (3) In the calculation of employed earnings the following are to be disregarded—
- (a) expenses that are allowed to be deducted under Chapter 2 of Part 5 of the ITEPA (employment income: deductions allowed from earnings), and
 - (b) expenses arising from participation as a service user (see regulation 52(2)).
- (4) The following benefits are to be treated as employed earnings—
- (a) statutory sick pay;
 - (b) statutory maternity pay;
 - (c) statutory paternity pay;
 - (d) statutory adoption pay; ^{F6}...
 - (e) statutory shared parental pay^[F7]; and
 - ^[F8](f) statutory parental bereavement pay.]
- (5) A repayment of income tax or national insurance contributions received by a claimant 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(3).
- (6) In calculating the amount of a person's employed earnings in respect of an assessment period, there are to be deducted from the amount of general earnings or benefits specified in paragraphs (2) to (4)—
- (a) any relievable pension contributions made by the person in that period,
 - (b) any amounts paid by the person in that period in respect of the employment by way of income tax or primary Class 1 contributions under section 6(1) of the Contributions and Benefits Act, and
 - (c) any sums withheld as donations to an approved scheme under Part 12 of the ITEPA (payroll giving) by a person required to make deductions or repayments of income tax under the PAYE Regulations.
- (7) Employed earnings also comprise any payment made under the legislation of, or under any scheme operating in, the Republic of Ireland which is analogous to any income to which paragraph (2) relates.

Textual Amendments

- F6** Word in reg. 55(4)(d) omitted (2.4.2023) by virtue of [The Parental Bereavement Leave and Pay \(Consequential Amendments to Subordinate Legislation\) Regulations \(Northern Ireland\) 2023 \(S.R. 2023/56\)](#), regs. 1(1), **24(4)(a)**, 34
- F7** Words in reg. 55(4)(e) substituted (2.4.2023) by [The Parental Bereavement Leave and Pay \(Consequential Amendments to Subordinate Legislation\) Regulations \(Northern Ireland\) 2023 \(S.R. 2023/56\)](#), regs. 1(1), **24(4)(b)**, 34
- F8** Reg. 55(4)(f) inserted (2.4.2023) by [The Parental Bereavement Leave and Pay \(Consequential Amendments to Subordinate Legislation\) Regulations \(Northern Ireland\) 2023 \(S.R. 2023/56\)](#), regs. 1(1), **24(4)(c)**, 34

Employee involved in trade dispute

56. A person who has had employed earnings and has withdrawn their labour in furtherance of a trade dispute is, unless their contract of service has been terminated, to be assumed to have employed earnings at the same level as he would have had were it not for the trade dispute.

Self-employed earnings — treatment of losses

57.—(1) This regulation applies for the purpose of calculating earned income that is not employed earnings and is derived from carrying on a trade, profession or vocation (“self employed earnings”).

(2) A person's self-employed earnings in respect of an assessment period are to be calculated as follows—

Step 1

Calculate the amount of the person's profit or loss in respect of each trade, profession or vocation carried on by the person by—

- (a) (a) taking the actual receipts in that assessment period, and
- (b) (b) deducting any amounts allowed as expenses under regulation 59 or 60.

Where a trade, profession or vocation is carried on in a partnership, take the amount of the profit or loss attributable to the person's share in the partnership.

Step 2

If the person has carried on more than one trade, profession or vocation in the assessment period, add together the amounts resulting from step 1 in respect of each trade, profession or vocation.

[^{F9}Step 3

Deduct from the amount resulting from Step 1 or (if applicable) Step 2 any payment made by the person to HMRC in the assessment period by way of national insurance contributions or income tax in respect of any trade, profession or vocation carried on by the person.

If the amount resulting from Steps 1 to 3 is nil or a negative amount, the amount of the person's self-employed earnings in respect of the assessment period is nil (and ignore the following steps).]

Step 4

If the amount resulting from step 3 is greater than nil, deduct from that amount any relievable pension contributions made by the person in the assessment period (unless a deduction has been made in respect of those contributions in calculating the person's employed earnings).

If the amount resulting from this step is nil or a negative amount, the person's self-employed earnings in respect of the assessment period are nil (and ignore the following step).

Step 5

If the amount resulting from step 4 is greater than nil, deduct from that amount any unused losses (see regulation 58), taking the oldest first.

If the amount resulting from this step is greater than nil, that is the amount of the person's self-employed earnings for the assessment period.

If the amount resulting from this step is nil or a negative amount, the amount of the person's self-employed earnings in respect of the assessment period is nil.

(3) The receipts referred to in paragraph (2) include receipts in kind and any refund or repayment of income tax, value added tax or national insurance contributions relating to the trade, profession or vocation.

(4) 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.

(5) Where the person is a self-employed earner in the Republic of Ireland the amounts to be deducted for income tax and National Insurance contributions under this regulation shall be such amounts as, in the opinion of the Department, would have been deducted had that person been employed in Northern Ireland.

Textual Amendments

- F9** Words in [reg. 57\(2\)](#) substituted (8.5.2018) by [The Universal Credit \(Persons Required to Provide Information, Miscellaneous Amendments and Saving and Transitional Provision\) Regulations \(Northern Ireland\) 2018 \(S.R. 2018/92\)](#), regs. 1(2), **6(10)**

Unused losses

58.—(1) For the purpose of regulation 57(2), a person has an unused loss if—

- (a) in calculating the person's self-employed earnings for any of the previous ^{F10}... assessment periods, the amount resulting from steps 1 to 3 in regulation 57(2) was a negative amount (a “loss”), and
- (b) the loss has not been extinguished in a subsequent assessment period.

[^{F11}(1A) In this regulation “unused loss” does not include the loss from an assessment period that ends before 2nd April 2018.]

(2) For the purposes of paragraph (1)(b) a loss is extinguished if no amount of that loss remains after it has been deducted at step 5 in regulation 57(2).

(3) Where a person was entitled to a previous award of universal credit and the last day of entitlement in respect of that award fell within the 6 months preceding the first day of entitlement in respect of the new award, the Department may, for the purposes of this regulation (provided the person provides such information as it requires), [^{F12}treat—

- (a) the assessment periods under the previous award; and
- (b) any months between that award and the current award in respect of which a claim has been made,

as assessment periods under the current award.]

Textual Amendments

- F10** Word in [reg. 58\(1\)\(a\)](#) omitted (8.5.2018) by virtue of [The Universal Credit \(Persons Required to Provide Information, Miscellaneous Amendments and Saving and Transitional Provision\) Regulations \(Northern Ireland\) 2018 \(S.R. 2018/92\)](#), regs. 1(2), **6(11)(a)**
- F11** [Reg. 58\(1A\)](#) inserted (coming into force in accordance with [reg. 1\(3\)](#) of the amending Rule) by [The Social Security \(Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2017 \(S.R. 2017/116\)](#), regs. 1(3), **9(6)**
- F12** Words in [reg. 58\(3\)](#) substituted (8.5.2018) by [The Universal Credit \(Persons Required to Provide Information, Miscellaneous Amendments and Saving and Transitional Provision\) Regulations \(Northern Ireland\) 2018 \(S.R. 2018/92\)](#), regs. 1(2), **6(11)(b)**

Permitted expenses

59.—(1) The deductions allowed in the calculation of self-employed earnings are amounts paid in the assessment period in respect of—

- (a) expenses that have been wholly and exclusively incurred for purposes of the trade, profession or vocation, or
- (b) in the case of expenses that have been incurred for more than one purpose, an identifiable part or proportion that has been wholly and exclusively incurred for the purposes of the trade, profession or vocation,

excluding any expenses that were incurred unreasonably.

(2) Payments deducted under paragraph (1) may include value added tax.

(3) No deduction may be made for payments in respect of—

- (a) expenditure on non-depreciating assets (including property, shares or other assets held for investment purposes);
- (b) repayment of capital in relation to a loan taken out for the purposes of the trade, profession or vocation;
- (c) expenses for business entertainment.

(4) A deduction for a payment of interest in relation to a loan taken out for the purposes of the trade, profession or vocation may not exceed £41.

(5) This regulation is subject to regulation 60.

Flat rate deductions for mileage and use of home and adjustment for personal use of business premises

60.—(1) This regulation provides for alternatives to the deductions that would otherwise be allowed under regulation 59.

(2) Instead of a deduction in respect of the actual expenses incurred in relation to the acquisition or use of a motor vehicle, the following deductions are to be allowed according to the mileage covered on journeys undertaken in the assessment period for the purposes of the trade, profession or vocation—

- (a) in a car, van or other motor vehicle (apart from a motorcycle), 45 pence per mile for the first 833 miles and 25 pence per mile thereafter, and
- (b) on a motorcycle, 24 pence per mile,

and, if the motor vehicle is a car, the only deduction allowed for the acquisition or use of that vehicle is a deduction under this paragraph.

(3) Where a person carrying on a trade, profession or vocation incurs expenses in relation to the use of accommodation occupied as their home, instead of a deduction in respect of the actual expenses, a deduction is allowed according to the number of hours spent in the assessment period on income generating activities related to the trade, profession or vocation as follows—

- (a) at least 25 hours but no more than 50 hours, £10;
- (b) more than 50 hours but no more than 100 hours, £18;
- (c) more than 100 hours, £26.

(4) Where premises which are used by a person mainly for the purposes of a trade, profession or vocation are also occupied by that person for his personal use, whether alone or with other persons, the deduction allowed for expenses in relation to those premises is the amount that would be allowed under regulation 59(1) if the premises were used wholly and exclusively for purposes of the trade,

profession or vocation, but reduced by the following amount according to the number of persons occupying the premises for his personal use—

- (a) £350 for one person;
- (b) £500 for 2 persons;
- (c) £650 for 3 or more persons.

Notional earned income

61.—(1) A person who has deprived himself of earned income, or whose employer has arranged for them to be so deprived, for the purpose of securing entitlement to universal credit or to an increased amount of universal credit is to be treated as possessing that earned income.

(2) Such a purpose is to be treated as existing if, in fact, entitlement or higher entitlement to universal credit did result and, in the opinion of the Department, this was a foreseeable and intended consequence of the deprivation.

(3) If a person provides services for another person and—

- (a) the other person makes no payment for those services or pays less than would be paid for comparable services in the same location, and
- (b) the means of the other person were sufficient to pay for, or pay more for, those services,

the person who provides the services is to be treated as having received the remuneration that would be reasonable for the provision of those services.

(4) Paragraph (3) does not apply where—

- (a) the person is engaged to provide the services by a charitable or voluntary organisation and the Department is satisfied that it is reasonable to provide the services free of charge or at less than the rate that would be paid for comparable services in the same location;
- (b) the services are provided by a person who is participating as a service user (see regulation 52(2)), or
- (c) the services are provided under or in connection with a person's participation in an employment or training programme approved by the Department for Employment and Learning.

[^{F13}Information for calculating earned income – real time information etc.

62.—(1) Unless, paragraph (2) applies, a person shall provide such information for the purposes of calculating their earned income at such times as the Department may require.

Real time information

(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 in respect of each assessment period is to be based on the information reported to HMRC under the PAYE Regulations and received by the Department from HMRC in that assessment period; and
- (b) in respect of 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.

Exceptions to use of Real Time Information

(3) Paragraph (2) does not apply where—

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Changes to legislation: There are currently no known outstanding effects for the The Universal Credit Regulations (Northern Ireland) 2016, CHAPTER 2. (See end of Document for details)

- (a) in relation to a particular employment the Department considers that the employer is unlikely to report information to HMRC in a sufficiently accurate or timely manner;
 - (b) it appears to the Department that the amount of a payment reported to HMRC is incorrect, or fails to reflect the definition of employed earnings in regulation 55 (employed earnings) in some material respect; or
 - (c) no information is received from HMRC in an assessment period and the Department 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).
- (4) Where paragraph (2) does not apply by virtue of any of the exceptions in paragraph (3) the Department shall determine the amount of employed earnings for the assessment period in question (or, where the exception in paragraph (3)(a) applies, for each assessment period in which the person is engaged in that employment) in accordance with regulation 55 (employed earnings) using such information or evidence as the Department thinks fit.

Reallocation of reported payments

(5) Where it appears to the Department that a payment of employed earnings has been reported late, or otherwise reported in the wrong assessment period, the Department may determine that the payment is to be treated as employed earnings in the assessment period in which it was received.

(6) Where a person is engaged in an employment where they are paid on a regular monthly basis and more than one payment in relation to that employment is reported in the same assessment period, the Department may, for the purposes of maintaining a regular pattern, determine that one of those payments is to be treated as employed earnings in respect of a different assessment period.

Consequential adjustments

(7) Where the Department makes a determination under any of paragraphs (4) to (6), the Department may make such other adjustments to the calculation of the person's employed earnings as may be necessary to avoid duplication or to maintain a regular payment pattern.

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

Textual Amendments

F13 [Reg. 62](#) substituted (16.11.2020) by [The Universal Credit \(Earned Income\) \(Amendment\) Regulations \(Northern Ireland\) 2020 \(S.R. 2020/226\)](#), regs. 1(1), 2

Gainful self-employment

Minimum income floor

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

- (a) is in gainful self-employment (see regulation 65), and
- (b) would apart from this regulation [^{F14}or regulation 89 (claimants subject to no work-related requirements – the earnings threshold)], fall within Article 27 of the Order (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,

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 89(2) and 89(3) respectively, converted to net amounts by deducting such amount for income tax and national insurance contributions as the Department considers appropriate.

(5) Where this regulation applies in respect of an assessment period in which surplus earnings are treated as an amount of earned income under regulation 54 (surplus earnings), that amount is to be added to the claimant's earned income before this regulation is applied and, in the case of joint claimants, it is to be added to the earned income of either member of the couple so as to produce the lowest possible amount of combined earned income after this regulation is applied.

(6) 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.

Textual Amendments

- F14** Words in reg. 63(1)(b) inserted (3.10.2019) by [The Universal Credit \(Childcare Costs and Minimum Income Floor\) \(Amendment\) Regulations \(Northern Ireland\) 2019 \(S.R. 2019/173\)](#), regs. 1(2), **3**

Modifications etc. (not altering text)

- C2** Reg. 63 excluded (coming into force in accordance with reg. 1(3) of the amending Rule) by [The Social Security \(Payments on Account of Benefit\) Regulations \(Northern Ireland\) 2016 \(S.R. 2016/223\)](#), regs. 1(3)(h), **13(7)**
- C3** Reg. 63 restricted (temp.) (13.3.2020) by [The Employment and Support Allowance and Universal Credit \(Coronavirus\) Regulations \(Northern Ireland\) 2020 \(S.R. 2020/33\)](#), regs. 1(1), **4** (with reg. 5) (as amended by [The Social Security \(Coronavirus\) \(Further Measures\) Regulations \(Northern Ireland\) 2020 \(S.R. 2020/53\)](#))regs. 1(1), **10(3)**)

Start-up period

64.—(1) A “start-up period” is a period of 12 months and applies from the beginning of the assessment period in which the Department determines that a claimant is in gainful self-employment where—

- ^{F15}(a) regulation 63 (minimum income floor) has not previously applied to the claimant in relation to the trade, profession or vocation which is currently the claimant's main employment (whether in relation to the current award or a previous award); and
- (b) the claimant is taking active steps to increase their earnings from that employment to the level of the claimant's individual threshold (see regulation 89).

(2) No start-up period may apply in relation to a claimant where a start-up period has previously applied in relation to that claimant, whether in relation to the current award or any previous award of universal credit, unless that previous start-up period—

- (a) began more than 5 years before the beginning of the assessment period referred to in paragraph (1), and

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Changes to legislation: There are currently no known outstanding effects for the The Universal Credit Regulations (Northern Ireland) 2016, CHAPTER 2. (See end of Document for details)

(b) applied in relation to a different trade, profession or vocation which the claimant has ceased to carry on.

(3) The Department may terminate a start-up period at any time if the person is no longer in gainful self-employment or is no longer taking the steps referred to in paragraph (1)(b).

Textual Amendments

F15 Reg. 64(1)(a) substituted (23.9.2020) by [The Universal Credit \(Managed Migration and Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2019 \(S.R. 2019/152\)](#), regs. 1(4), **5(1)**

Meaning of “gainful self-employment”

65. A claimant is in gainful self-employment for the purposes of regulations 63 and 64 where the Department has determined that—

- (a) the claimant is carrying on a trade, profession or vocation as their main employment,
- (b) their earnings from that trade, profession or vocation are self-employed earnings, and
- (c) the trade, profession or vocation is organised, developed, regular and carried on in expectation of profit.

Status:

Point in time view as at 02/04/2023.

Changes to legislation:

There are currently no known outstanding effects for the The Universal Credit Regulations (Northern Ireland) 2016, CHAPTER 2.