

2017 No. 147

SOCIAL SECURITY

**The Universal Credit (Reduction of the Earnings Taper Rate)
(Amendment) Regulations (Northern Ireland) 2017**

Made - - - - - *6th July 2017*

Laid before Parliament *10th July 2017*

Coming into operation in accordance with regulation 1

The Secretary of State makes the following regulations in exercise of the powers conferred by Articles 5 and 13(3)(a) of, and paragraphs 4(1) and (3)(a) of Schedule 1 to, the Welfare Reform (Northern Ireland) Order 2015(a).

Those powers are exercisable by the Secretary of State by virtue of Article 4(1)(a) of the Welfare Reform (Northern Ireland) Order 2015.

Citation and commencement

1.—(1) These Regulations may be cited as the Universal Credit (Reduction of the Earnings Taper Rate) (Amendment) Regulations (Northern Ireland) 2017.

(2) This regulation and regulation 2(1) and (2) come into operation immediately after the coming into operation of the Universal Credit Regulations (Northern Ireland) 2016(b).

(3) Regulation 2(3) come into operation immediately after the coming into operation of the Social Security (Miscellaneous Amendments) Regulations (Northern Ireland) 2017(c).

Changes to calculation of deductions in respect of earned income

2.—(1) The Universal Credit Regulations (Northern Ireland) 2016 are amended in accordance with paragraphs (2) and (3).

(2) In regulation 23(1)(b)(i) and (ii) (deduction of income and work allowance) for “65%” substitute “63%” in both places it occurs.

(3) In regulation 54(6) (surplus earnings) in the formula in the definition of “the nil UC threshold”(d) for “65” substitute “63”.

(a) S.I. 2015/2006 (N.I. 1). Article 5 is an interpretation provision and is cited for the meaning of “prescribed” and “regulations”

(b) S.R. 2016 No. 216

(c) S.R. 2017 No. 116

(d) The formula in the definition of “the nil UC threshold” was substituted by regulation 8(5) of S.R. 2017 No. 116

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

6th July 2017

Damien Hinds
Minister of State
Department for Work and Pensions

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend two provisions of the Universal Credit Regulations (Northern Ireland) 2016 (S.R. 2016 No. 216) (the “Universal Credit Regulations”) relating to the calculation of a universal credit award where the claimant has earned income.

Regulation 23(1)(b)(i) and (ii) of the Universal Credit Regulations provides that, in a given assessment period, the amount to be deducted from the maximum amount of a universal credit award in respect of the claimant’s earned income (or joint claimants’ combined earned income) is to be 65% of the amount by which that income exceeds the applicable work allowance (the “taper rate”). Regulation 2(2) of these Regulations amends that taper rate to 63%.

Regulation 54(6) of the Universal Credit Regulations contains a formula for calculating the amount of a claimant’s earned income (or joint claimants’ combined earned income) above which there would be no entitlement to universal credit, for the purpose of calculating that claimant’s (or joint claimants’) surplus earnings in an assessment period. Regulation 2(3) of these Regulations amends that formula by replacing “65” with “63” to reflect the amendment to the taper rate.

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

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£4.25

NI201707077 07/2017 19585

<http://www.legislation.gov.uk/id/nisr/2017/147>

ISBN 978-0-33-800834-3



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