
DRAFT STATUTORY INSTRUMENTS

2013 No.

The Universal Credit Regulations 2013

PART 6

CALCULATION OF CAPITAL AND INCOME

CHAPTER 3

UNEARNED INCOME

What is included in unearned income?

66.—(1) A person's unearned income is any of their income, including income the person is treated as having by virtue of regulation 74 (notional unearned income), falling within the following descriptions—

- (a) retirement pension income (see regulation 67);
- (b) any of the following benefits to which the person is entitled, subject to any adjustment to the amount payable in accordance with regulations under section 73 of the Social Security Administration Act 1992⁽¹⁾ (overlapping benefits)—
 - (i) jobseeker's allowance,
 - (ii) employment and support allowance,
 - (iii) carer's allowance,
 - (iv) bereavement allowance,
 - (v) widowed mother's allowance,
 - (vi) widowed parent's allowance,
 - (vii) widow's pension,
 - (viii) maternity allowance, or
 - (ix) industrial injuries benefit, excluding any increase in that benefit under section 104 or 105 of the Contributions and Benefits Act (increases where constant attendance needed and for exceptionally severe disablement);
- (c) any benefit, allowance, or other payment which is paid under the law of a country outside the United Kingdom and is analogous to a benefit mentioned in sub-paragraph (b);
- (d) payments made towards the maintenance of the person by their spouse, civil partner, former spouse or former civil partner under a court order or an agreement for maintenance;
- (e) student income (see regulation 68);
- (f) a payment made under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990 which is a substitute for universal credit or is for a person's living expenses;

⁽¹⁾ 1992 c.5.

- (g) a payment made by one of the Sports Councils named in section 23(2) of the National Lottery etc. Act 1993⁽²⁾ out of sums allocated to it for distribution where the payment is for the person's living expenses;
 - (h) a payment received under an insurance policy to insure against—
 - (i) the risk of losing income due to illness, accident or redundancy, or
 - (ii) the risk of being unable to maintain payments on a loan, but only to the extent that the payment is in respect of owner-occupier payments within the meaning of paragraph 4 of Schedule 1 in respect of which an amount is included in an award for the housing costs element;
 - (i) income from an annuity (other than retirement pension income), unless disregarded under regulation 75 (compensation for personal injury);
 - (j) income from a trust, unless disregarded under regulation 75 (compensation for personal injury) or 76 (special schemes for compensation);
 - (k) income that is treated as the yield from a person's capital by virtue of regulation 72;
 - (l) capital that is treated as income by virtue of regulation 46(3) or (4);
 - (m) income that does not fall within sub-paragraphs (a) to (l) and is taxable under Part 5 of the Income Tax (Trading and Other Income) Act 2005⁽³⁾ (miscellaneous income).
- (2) In paragraph (1)(f) and (g) a person's living expenses are the cost of—
- (a) food;
 - (b) ordinary clothing or footwear;
 - (c) household fuel, rent or other housing costs (including council tax),
- for the person, their partner and any child or qualifying young person for whom the person is responsible.

(2) 1983 c.44.
(3) 2005 c. 5.