



# Welfare Reform Act 2012

## 2012 CHAPTER 5

### PART 5

#### SOCIAL SECURITY: GENERAL

##### *Recovery of benefits*

#### **106 Deduction from earnings: other cases**

(1) In section 71 of the Social Security Administration Act 1992 (overpayments - general), after subsection (9) there is inserted—

“(9A) Regulations may provide for amounts recoverable under the provisions mentioned in subsection (8) above to be recovered by deductions from earnings.

(9B) In subsection (9A) above “earnings” has such meaning as may be prescribed.

(9C) Regulations under subsection (9A) above may include provision—

- (a) requiring the person from whom an amount is recoverable (“the beneficiary”) to disclose details of their employer, and any change of employer, to the Secretary of State;
- (b) requiring the employer, on being served with a notice by the Secretary of State, to make deductions from the earnings of the beneficiary and to pay corresponding amounts to the Secretary of State;
- (c) as to the matters to be contained in such a notice and the period for which a notice is to have effect;
- (d) as to how payment is to be made to the Secretary of State;
- (e) as to a level of earnings below which earnings must not be reduced;
- (f) allowing the employer, where the employer makes deductions, to deduct a prescribed sum from the beneficiary's earnings in respect of the employer's administrative costs;
- (g) requiring the employer to keep records of deductions;

*Status: Point in time view as at 01/07/2012.*

*Changes to legislation: Welfare Reform Act 2012, Section 106 is up to date with all changes known to be in force on or before 30 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (h) requiring the employer to notify the Secretary of State if the beneficiary is not, or ceases to be, employed by the employer;
  - (i) creating a criminal offence for non-compliance with the regulations, punishable on summary conviction by a fine not exceeding level 3 on the standard scale;
  - (j) with respect to the priority as between a requirement to deduct from earnings under this section and—
    - (i) any other such requirement;
    - (ii) an order under any other enactment relating to England and Wales which requires deduction from the beneficiary's earnings;
    - (iii) any diligence against earnings.”
- (2) In section 71ZA of that Act (overpayments out of social fund), before subsection (3) there is inserted—
- “(2A) Subsection (9A) of section 71 above as it so applies shall have effect as if the reference to amounts recoverable under the provisions mentioned in subsection (8) of that section were to amounts recoverable under subsections (1) and (4) of that section by virtue of subsection (1) above.”
- (3) In section 75 of that Act (overpayments of housing benefit), at the end there is inserted—
- “(8) Regulations may provide for amounts recoverable under this section to be recovered by deductions from earnings.
  - (9) In subsection (8) above “earnings“ has such meaning as may be prescribed.
  - (10) Regulations under subsection (8) above may include provision—
    - (a) requiring the person from whom an amount is recoverable (“the beneficiary”) to disclose details of their employer, and any change of employer, to the Secretary of State or the authority which paid the benefit;
    - (b) requiring the employer, on being served with a notice by the Secretary of State or the authority which paid the benefit, to make deductions from the earnings of the beneficiary and to pay corresponding amounts to the Secretary of State or that authority;
    - (c) as to the matters to be contained in such a notice and the period for which a notice is to have effect;
    - (d) as to how payment is to be made to the Secretary of State or the authority which paid the benefit;
    - (e) as to a level of earnings below which earnings must not be reduced;
    - (f) allowing the employer, where the employer makes deductions, to deduct a prescribed sum from the beneficiary's earnings in respect of the employer's administrative costs;
    - (g) requiring the employer to keep records of deductions;
    - (h) requiring the employer to notify the Secretary of State or the authority which paid the benefit if the beneficiary is not, or ceases to be, employed by the employer;

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- (i) creating a criminal offence for non-compliance with the regulations, punishable on summary conviction by a fine not exceeding level 3 on the standard scale;
  - (j) with respect to the priority as between a requirement to deduct from earnings under this section and—
    - (i) any other such requirement;
    - (ii) an order under any other enactment relating to England and Wales which requires deduction from the beneficiary's earnings;
    - (iii) any diligence against earnings.”
- (4) In section 78 of that Act (recovery of social fund awards), after subsection (3B) there is inserted—
- “(3C) Regulations may provide for amounts recoverable under subsection (1) above from a person specified in subsection (3) above to be recovered by deductions from earnings.
- (3D) In subsection (3C) above “earnings” has such meaning as may be prescribed.
- (3E) Regulations under subsection (3C) above may include provision referred to in section 71(9C) above.”

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**Commencement Information**

**II** S. 106 in force at 1.7.2012 by S.I. 2012/1246, art. 2(4)(c)

**Status:**

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