
STATUTORY INSTRUMENTS

2013 No. 376

The Universal Credit Regulations 2013

PART 8

CLAIMANT RESPONSIBILITIES

CHAPTER 2

SANCTIONS

When reduction to have effect

Start of the reduction

- 106.** A reduction period determined in relation to a sanctionable failure takes effect from—
- (a) the first day of the assessment period in which the Secretary of State determines that the amount of the award is to be reduced under section 26 or 27 of the Act (but see also regulation 107(2));
 - (b) if the amount of the award of universal credit for the assessment period referred to in paragraph (a) is not reduced in that period, the first day of the next assessment period; or
 - (c) if the amount of the award for the assessment period referred to in paragraph (a) or (b) is already subject to a reduction because of a previous sanctionable failure, the first day in respect of which the amount of the award is no longer subject to that reduction.

Reduction period to continue where award terminates

107.—(1) If an award of universal credit terminates while there is an outstanding reduction period, the period continues to run as if a daily reduction were being applied and if the claimant becomes entitled to a new award (whether as single or joint claimant) before that period expires, that award is subject to a reduction for the remainder of the total outstanding reduction period.

(2) If an award of universal credit terminates before the Secretary of State determines that the amount of the award is to be reduced under section 26 or 27 of the Act in relation to a sanctionable failure and that determination is made after the claimant becomes entitled to a new award the reduction period in relation to that failure is to have effect for the purposes of paragraph (1) as if that determination had been made on the day before the previous award terminated.

Modifications etc. (not altering text)

- C1** Reg. 107 excluded (29.4.2013) by [The Universal Credit \(Transitional Provisions\) Regulations 2013 \(S.I. 2013/386\)](#), regs. 1(2), **34(a)**
- C2** Reg. 107 disapplied (cond.) (16.6.2014) by [The Universal Credit \(Transitional Provisions\) Regulations 2014 \(S.I. 2014/1230\)](#), regs. 1(2), **34**

Suspension of a reduction where fraud penalty applies

108.—(1) A reduction in the amount of an award under section 26 or 27 of the Act is to be suspended for any period during which the provisions of section 6B, 7 or 9 of the Social Security Fraud Act 2001 ^{M1} apply to the award.

(2) The reduction ceases to have effect on the day on which that period begins and begins again on the day after that period ends.

Marginal Citations

M1 2001 c.11. Section 6B was inserted by section 24(1) of the Welfare Reform Act 2009.

When a reduction is to be terminated

109.—(1) A reduction in the amount of an award under section 26 or 27 of the Act is to be terminated where—

- (a) since the date of the most recent sanctionable failure which gave rise to a reduction, the claimant has been in paid work for a period of, or for periods amounting in total to, at least [^{F1}six months]; and
- (b) the claimant's [^{F2}monthly] earnings during that period or those periods were equal to or exceeded—

- (i) the claimant's individual threshold, ^{F3}...

- [^{F4}(ia) where the claimant has no individual threshold, the amount that a person would be paid at the hourly rate specified in regulation 4 or regulation 4A(1)(a) to (c) of the National Minimum Wage Regulations for 16 hours per week, converted to a monthly amount by multiplying by 52 and dividing by 12, or]

- (ii) if paragraph (4) of regulation 90 applies (threshold for an apprentice) the amount applicable under that paragraph.

(2) The termination of the reduction has effect—

- (a) where the date on which paragraph (1) is satisfied falls within a period of entitlement to universal credit, from the beginning of the assessment period in which that date falls; or
- (b) where that date falls outside a period of entitlement to universal credit, from the beginning of the first assessment period in relation to any subsequent award.

(3) A claimant who is treated as having earned income in accordance with regulation 62 (minimum income floor) in respect of an assessment period is to be taken to have [^{F5}monthly] earnings equal to their individual threshold in respect of ^{F6}... that assessment period.

Textual Amendments

F1 Words in reg. 109(1)(a) substituted (with effect in accordance with reg. 1(3) of the amending S.I.) by [The Universal Credit and Miscellaneous Amendments Regulations 2015 \(S.I. 2015/1754\)](#), regs. 1(1), **2(8)(a)**

F2 Word in reg. 109(1)(b) substituted (with effect in accordance with reg. 1(3) of the amending S.I.) by [The Universal Credit and Miscellaneous Amendments Regulations 2015 \(S.I. 2015/1754\)](#), regs. 1(1), **2(8)(b)**

F3 Word in reg. 109(1)(b)(i) omitted (25.7.2016) by virtue of [The Social Security \(Jobseeker's Allowance, Employment and Support Allowance and Universal Credit\) \(Amendment\) Regulations 2016 \(S.I. 2016/678\)](#), regs. 1, **5(10)(a)**

- F4** Reg. 109(1)(b)(ia) inserted (25.7.2016) by The Social Security (Jobseeker's Allowance, Employment and Support Allowance and Universal Credit) (Amendment) Regulations 2016 (S.I. 2016/678), regs. 1, **5(10)(b)**
- F5** Word in reg. 109(3) substituted (with effect in accordance with reg. 1(3) of the amending S.I.) by The Universal Credit and Miscellaneous Amendments Regulations 2015 (S.I. 2015/1754), regs. 1(1), **2(8)(c)**
- F6** Words in reg. 109(3) omitted (with effect in accordance with reg. 1(3) of the amending S.I.) by virtue of The Universal Credit and Miscellaneous Amendments Regulations 2015 (S.I. 2015/1754), regs. 1(1), **2(8)(c)**

Changes to legislation:

There are currently no known outstanding effects for the The Universal Credit Regulations 2013,
Cross Heading: When reduction to have effect.