

2013 No. 612

SOCIAL SECURITY

The Fines, Council Tax and Community Charges (Deductions from Universal Credit and Other Benefits) Regulations 2013

<i>Made</i>	- - - -	<i>12th March 2013</i>
<i>Laid before Parliament</i>		<i>18th March 2013</i>
<i>Coming into force</i>	- -	<i>29th April 2013</i>

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 24 and 30(1) of the Criminal Justice Act 1991(a), section 113(1) of, and paragraphs 1 and 6 of Schedule 4 and paragraph 6 of Schedule 8 to, the Local Government Finance Act 1992(b) and section 32(1), (2) and (4) of the Welfare Reform Act 2012 (“the 2012 Act”)(c).

In so far as these Regulations are made under section 32 of the 2012 Act, they have not been referred to the Social Security Advisory Committee because they are made before the end of the period of 6 months beginning with the coming into force of that section(d).

Citation and commencement

1.—(1) These Regulations may be cited as the Fines, Council Tax and Community Charges (Deductions from Universal Credit and Other Benefits) Regulations 2013.

(2) They come into force on 29th April 2013.

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- (a) 1991 c.53. Section 24 is amended by section 47(3) of the Criminal Justice and Public Order Act 1994 (c.33), paragraph 30 of Schedule 3 to the Vehicle Excise and Registration Act 1994 (c.22), paragraph 80(2) of Schedule 4 to the Criminal Procedure (Consequential Provisions) (Scotland) Act 1995 (c.40), paragraph 21(2) to (4) of Schedule 2 to the Jobseekers Act 1995 (c.18) (“the 1995 Act”), paragraph 55 of Schedule 7 to the Social Security Act 1998 (c.14), paragraph 136 of Schedule 9 to the Powers of Criminal Courts (Sentencing) Act 2000 (c.6), paragraph 31(b) of Schedule 2 to the State Pension Credit Act 2002 (c.16) (“the 2002 Act”), section 96(1) to (3) of the Courts Act 2003 (c.39), paragraph 30 of Schedule 10 to the Domestic Violence, Crime and Victims Act 2004 (c.28), paragraph 8 of Schedule 3 to the Welfare Reform Act 2007 (c.5) (“the 2007 Act”) and section 109 of the Welfare Reform Act 2012 (c.5) (“the 2012 Act”).
- (b) 1992 c.14. Paragraph 1 of Schedule 4 is amended in a way not relevant to these Regulations. Paragraph 6 of Schedule 4 and paragraph 6 of Schedule 8 are amended respectively by paragraphs 75 and 76 of Schedule 2 to the 1995 Act, paragraphs 33 and 35 of Schedule 2 to the 2002 Act, paragraph 11(2) and (3) of Schedule 3 to the 2007 Act and paragraphs 33 and 34 of Schedule 2 to the 2012 Act.
- (c) 2012 c.5.
- (d) See section 173(5)(a) of the Social Security Administration Act 1992 (c.4) (“the Administration Act”). The requirement to refer regulations to the Social Security Advisory Committee does not apply where regulations are contained in a statutory instrument made before the end of the period of six months beginning with the coming into force of the enactment under which the regulations are made. Section 32 of the 2012 Act is a relevant enactment under section 170(5) of the Administration Act by virtue of the amendment made by paragraph 26(2) of Schedule 2 to the 2012 Act.

Amendment of the Fines (Deductions from Income Support) Regulations 1992

2. The Fines (Deductions from Income Support) Regulations 1992(a) are amended in accordance with regulations 3 to 6.

Amendment of regulation 1(2)

3.—(1) Regulation 1(2)(interpretation) is amended as follows.

(2) After the definition of “the 1998 Act” insert—

““the 2012 Act” means the Welfare Reform Act 2012;”.

(3) After the definition of “application” insert—

““assessment period” means the period prescribed by regulation 21 of the UC Regulations;”.

(4) In the definition of “contribution-based jobseeker’s allowance”, after “1995” insert “as amended by the provisions of Part 1 of Schedule 14 to the 2012 Act that remove references to an income-based allowance or under Part 1 of the Jobseekers Act 1995 as it has effect apart from those amendments”.

(5) At the end of the definition of “contributory employment and support allowance” add “as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the 2012 Act that remove references to an income-related allowance or under Part 1 of the Welfare Reform Act as it has effect apart from those amendments”.

(6) In the definition of “payments to third parties”, after “Claims and Payments Regulations” insert “Schedule 6 to the Universal Credit, Personal Independence Payment, Jobseeker’s Allowance and Employment and Support Allowance (Claims and Payments) Regulations 2013(b);”.

(7) After the definition of “tribunal” insert—

““the UC Regulations” means the Universal Credit Regulations 2013(c);

“universal credit” means universal credit under Part 1 of the 2012 Act;”.

Amendment of regulation 2

4. In regulation 2 (application for deductions from income support etc.)—

(a) in the heading, after “income support,” insert “universal credit;”;

(b) in paragraph (1), after “income support,” in both places insert “universal credit;”.

Amendment of regulation 4

5.—(1) Regulation 4 (deductions from offender’s income support etc.) is amended as follows.

(2) In the heading, after “income support,” insert “universal credit;”.

(3) After paragraph (1) insert—

“(1A) Subject to paragraphs (1C) and (1D) and regulation 7, where the Secretary of State receives an application from a court in respect of an offender who is entitled to universal credit, the Secretary of State may deduct from the universal credit payable to the offender an amount permitted by paragraph (1B) and pay that amount to the court towards satisfaction of the fine or the sum required to be paid by compensation order.

(a) S.I.1992/2182. Relevant amendments are made by S.I.1993/495, 1996/2344, 1998/563, 1999/3178, 2002/3019 and 2008/1554.

(b) S.I.2013/380.

(c) S.I.2013/376.

(1B) The amount that may be deducted under paragraph (1A) is any sum which is no less than 5 per cent. of the appropriate universal credit standard allowance for the offender for the assessment period in question under regulation 36 of the UC Regulations but no greater than £108.35.

(1C) No amount may be deducted under paragraph (1A) where it would reduce the amount of universal credit payable to the offender to less than 1 penny.

(1D) For the purpose of paragraph (1B), where 5 per cent. of the appropriate universal credit standard allowance results in a fraction of a penny, that fraction is to be disregarded if it is less than half a penny and otherwise it is to be treated as a penny.”.

(4) For paragraph (2) substitute—

“(2) Subject to paragraph (3) and regulation 7, where—

- (a) the Secretary of State receives an application from a court in respect of an offender who is entitled to contribution-based jobseeker’s allowance or contributory employment and support allowance; and
- (b) the amount of that allowance payable, before any deduction under this paragraph, is 10 pence or more,

the Secretary of State may deduct a sum from that allowance, up to the appropriate maximum specified in paragraph (2A), and pay that sum to the court towards satisfaction of the fine or the sum required to be paid by compensation order.

(2A) The appropriate maximum is 40 per cent. of the appropriate age-related amount for the offender specified—

- (a) where the offender is entitled to contribution-based jobseeker’s allowance, in regulation 79 of the Jobseeker’s Allowance Regulations 1996 or, as the case may be, regulation 49 of the Jobseeker’s Allowance Regulations 2013(a);
- (b) where the offender is entitled to contributory employment and support allowance, in paragraph 1(1) of Schedule 4 to the Employment and Support Allowance Regulations or, as the case may be, regulation 62(1)(b) of the Employment and Support Allowance Regulations 2013(b).”.

(5) Omit paragraph (4).

(6) The amendment made by paragraph (4) does not have effect in respect of an application received by the Secretary of State from the court in respect of an offender before the day on which these Regulations come into force.

Amendment of regulation 7

6. In regulation 7 (circumstances, time of making and termination of deductions)—

- (a) in paragraph (1), for “regulation 4” substitute “regulation 4(1) or (2)”;
- (b) after paragraph (1) insert—

“(1A) The Secretary of State may make deductions from universal credit under regulation 4(1A) only if—

- (a) the offender is entitled to universal credit throughout any assessment period; and
- (b) no deductions are being made in respect of the offender under any other application.”;

- (c) in paragraphs (2)(b), (3), (4) and (6), after “income support,” each time those words occur insert “universal credit,”.

(a) S.I.2013/378.

(b) S.I.2013/379.

Amendment of the Council Tax (Deductions from Income Support) Regulations 1993

7. The Council Tax (Deductions from Income Support) Regulations 1993(a) are amended in accordance with regulations 8 to 12.

Amendment of regulation 1(2)

8.—(1) Regulation 1(2)(interpretation) is amended as follows.

(2) After the definition of “the 1998 Act” insert—

““the 2012 Act” means the Welfare Reform Act 2012;”.

(3) After the definition of “application” insert—

““assessment period” means the period prescribed by regulation 21 of the UC Regulations;”.

(4) In the definition of “contribution-based jobseeker’s allowance”, after “1995” insert “as amended by the provisions of Part 1 of Schedule 14 to the 2012 Act that remove references to an income-based allowance or under Part 1 of the Jobseekers Act 1995 as it has effect apart from those amendments”.

(5) At the end of the definition of “contributory employment and support allowance” add “as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the 2012 Act that remove references to an income-related allowance or under Part 1 of the Welfare Reform Act as it has effect apart from those amendments”.

(6) After the definition of “tribunal” insert—

““the UC Regulations” means the Universal Credit Regulations 2013;

“universal credit” means universal credit under Part 1 of the 2012 Act;”.

Amendment of regulation 2

9. In regulation 2 (application for deductions from income support etc.: England and Wales)—

(a) in the heading, after “income support,” insert “universal credit;”;

(b) after “income support,” in both places insert “universal credit.”.

Amendment of regulation 3

10. In regulation 3 (application for deductions from income support etc.: Scotland)—

(a) in the heading, after “income support,” insert “universal credit;”;

(b) after “income support,” in both places insert “universal credit.”.

Amendment of regulation 5

11.—(1) Regulation 5 (deductions from debtor’s income support etc.) is amended as follows.

(2) In the heading, after “income support,” insert “universal credit.”.

(3) After paragraph (1) insert—

“(1A) Subject to paragraphs (1B) and (1C) and regulation 8, where the Secretary of State receives an application from an authority in respect of a debtor who is entitled to universal credit, the Secretary of State may deduct from the universal credit payable to the debtor an amount equal to 5 per cent. of the appropriate universal credit standard allowance and pay that sum to the authority towards satisfaction of any outstanding sum which is, or forms part of, the amount in respect of which the liability order was made or the summary warrant or decree was granted.

(a) S.I.1993/494. Relevant amendments are made by S.I.1993/495, 1996/2344, 1998/563, 1999/3178, 2002/3019 and 2008/1554.

(1B) No amount may be deducted under paragraph (1A) where it would reduce the amount of universal credit payable to the debtor to less than 1 penny.

(1C) For the purpose of paragraph (1A), where 5 per cent. of the appropriate universal credit standard allowance results in a fraction of a penny, that fraction is to be disregarded if it is less than half a penny and otherwise it is to be treated as a penny.

(1D) In paragraphs (1A) and (1C), “appropriate universal credit standard allowance” means the appropriate universal credit standard allowance for the debtor for the assessment period in question under regulation 36 of the UC Regulations.”.

(4) For paragraph (2) substitute—

“(2) Subject to regulation 8, where—

- (a) the Secretary of State receives an application from an authority in respect of a debtor who is entitled to contribution-based jobseeker’s allowance or contributory employment and support allowance; and
- (b) the amount of that allowance payable, before any deduction under this paragraph, is 10 pence or more,

the Secretary of State may deduct a sum from that allowance, up to the appropriate maximum specified in paragraph (2A), and pay that sum to the authority towards satisfaction of any outstanding sum which is, or forms part of, the amount in respect of which the liability order was made or the summary warrant or decree was granted.

(2A) The appropriate maximum is 40 per cent. of the appropriate age-related amount for the debtor specified—

- (a) where the debtor is entitled to contribution-based jobseeker’s allowance, in regulation 79 of the Jobseeker’s Allowance Regulations 1996 or, as the case may be, regulation 49 of the Jobseeker’s Allowance Regulations 2013;
- (b) where the debtor is entitled to contributory employment and support allowance, in paragraph 1(1) of Schedule 4 to the Employment and Support Allowance Regulations 2008(a) or, as the case may be, regulation 62(1)(b) of the Employment and Support Allowance Regulations 2013.”.

(5) Omit paragraph (3).

(6) The amendment made by paragraph (4) does not have effect in respect of an application received by the Secretary of State from an authority in respect of a debtor before the day on which these Regulations come into force.

Amendment of regulation 8

12. In regulation 8 (circumstances, time of making and termination of deductions)—

- (a) in paragraph (1), for “regulation 5” substitute “regulation 5(1) or (2)”;
- (b) after paragraph (1) insert—

“(1A) The Secretary of State may make deductions from universal credit under regulation 5(1A) only if—

- (a) the debtor is entitled to universal credit throughout any assessment period;
- (b) no deductions are being made in respect of the debtor under any other application; and
- (c) no payments are being made under regulation 2 of the Community Charge (Deductions from Income Support)(Scotland) Regulations 1989(b) or regulation 2 of the Community Charge (Deductions from Income Support)(No.2) Regulations 1990(c).”;

(a) S.I.2008/794.

(b) S.I.1989/507. Regulation 2 is amended by S.I.1990/113, 1996/2344, 1999/3178 and 2008/1879.

(c) S.I.1990/545. Regulation 2 is amended by S.I.1996/2344, 1999/3178, 2002/3019 and 2008/1554.

- (c) in paragraphs (2), (3) and (5), after “income support,” each time those words occur insert “universal credit,”.

Amendment of the Community Charges (Deductions from Income Support)(No.2) Regulations 1990

13. The Community Charges (Deductions from Income Support)(No.2) Regulations 1990(a) are amended in accordance with regulations 14 to 17.

Amendment of regulation 1(2)

14.—(1) Regulation 1(2)(interpretation) is amended as follows.

(2) After the definition of “appropriate social security office” insert—

““assessment period” means the period prescribed by regulation 21 of the UC Regulations;”.

(3) At the end of the definition of “payments to third parties” add “or Schedule 6 to the UC etc. Claims and Payments Regulations,”.

(4) After the definition of “tribunal” insert—

““the UC Regulations” means the Universal Credit Regulations 2013;

“the UC etc. Claims and Payments Regulations” means the Universal Credit, Personal Independence Payment, Jobseeker’s Allowance and Employment and Support Allowance (Claims and Payments) Regulations 2013;

“universal credit” means universal credit under Part 1 of the Welfare Reform Act 2012;”.

Amendment of regulation 2

15. In regulation 2 (application for deductions from income support etc.)—

(a) in the heading, after “income support,” insert “universal credit,”;

(b) in paragraph (1), after “income support,”, in both places, insert “universal credit,”.

Amendment of regulation 3

16.—(1) Regulation 3 (deductions from debtor’s income support etc.) is amended as follows.

(2) In the heading, after “income support,” insert “universal credit,”

(3) After paragraph (1) insert—

“(1A) Subject to paragraphs (1B), (1C) and (4A) and regulation 4, where the Secretary of State receives an application from an authority in respect of a debtor who is entitled to universal credit, the Secretary of State may deduct an amount from the universal credit payable to the debtor which is equal to 5 per cent. of the appropriate universal credit standard allowance and pay that sum to the authority towards satisfaction of any outstanding sum which is, or forms part of, the amount in respect of which the liability order was made.

(1B) No amount may be deducted under paragraph (1A) where it would reduce the amount of universal credit payable to the debtor to less than 1 penny.

(1C) For the purpose of paragraph (1A), where 5 per cent. of the appropriate universal credit standard allowance results in a fraction of a penny, that fraction is to be disregarded if it is less than half a penny and otherwise it is to be treated as a penny.

(a) S.I.1990/545. These Regulations lapsed on 1st April 1993 on the repeal of the enabling power but that power is saved in respect of recovery of community charges falling due before that date by S.I.1993/1780. Relevant amendments are made by S.I.1996/2344, 1998/563, 1999/3178, 2002/3019 and 2008/1554.

(1D) In paragraphs (1A) and (1C), “appropriate universal credit standard allowance” means the appropriate universal credit standard allowance for the debtor for the assessment period in question under regulation 36 of the UC Regulations.”.

(4) After paragraph (4) insert—

“(4A) Before making a deduction under paragraph (1A), the Secretary of State must make any deduction which falls to be made in respect of a liability mentioned in paragraph 5(2)(a) to (c) of Schedule 6 to the UC etc. Claims and Payments Regulations.”.

Amendment of regulation 4

17. In regulation 4 (circumstances, time of making and determination of deductions)—

(a) in paragraph (1)(a), for “regulation 3” substitute “regulation 3(1) or (2)”;

(b) after paragraph (1) insert—

“(1A) The Secretary of State may make deductions from universal credit under regulation 3(1A) only if—

(a) the debtor is entitled to universal credit throughout any assessment period; and

(b) no deductions are being made in respect of the debtor under any other application.”

;

(c) in paragraph (2), after “income support,” each time those words occur, insert “universal credit,”.

Amendment of the Community Charges (Deductions from Income Support)(Scotland) Regulations 1989

18. The Community Charges (Deductions from Income Support)(Scotland) Regulations 1989(a) are amended in accordance with regulations 19 to 22.

Amendment of regulation 1(2)

19.—(1) Regulation 1(2)(interpretation) is amended as follows.

(2) After the definition of “the 1998 Act” insert—

““the 2012 Act” means the Welfare Reform Act 2012;”.

(3) After the definition of “appropriate social security office” insert—

““assessment period” means the period prescribed by regulation 21 of the UC Regulations;”.

(4) At the end of the definition of “contributory employment and support allowance” add “as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the 2012 Act that remove references to an income-related allowance or under Part 1 of the Welfare Reform Act as it has effect apart from those amendments”.

(5) In the definition of “contribution-based jobseeker’s allowance”, after “1995” insert “as amended by the provisions of Part 1 of Schedule 14 to the 2012 Act that remove references to an income-based allowance or under Part 1 of the Jobseekers Act 1995 as it has effect apart from those amendments”.

(6) At the end of the definition of “payments to third parties” add “or Schedule 6 to the UC etc. Claims and Payments Regulations;”;

(7) After the definition of “state pension credit” insert—

““the UC Regulations” means the Universal Credit Regulations 2013;

(a) S.I.1989/507 (S.59) as amended by S.I.1990/113 (S.9). These Regulations lapsed on 1st April 1993 on the repeal of the enabling power but that power is saved in respect of recovery of community charges falling due before that date by S.I.1993/1780.

“the UC etc. Claims and Payments Regulations” means the Universal Credit, Personal Independence Payment, Jobseeker’s Allowance and Employment and Support Allowance (Claims and Payments) Regulations 2013;

“universal credit” means universal credit under Part 1 of the 2012 Act;”.

Amendment of regulation 2

20. In regulation 2 (application for deductions from income support etc.)—

- (a) in the heading, after “income support,” insert “universal credit;”;
- (b) in paragraphs (1) and (2)(e), after “income support,” insert “universal credit;”.

Amendment of regulation 3

21.—(1) Regulation 3 (deductions from debtor’s income support etc.) is amended as follows.

(2) In the heading, after “income support,” insert “universal credit;”.

(3) After paragraph (1) insert—

“(1A) Subject to paragraphs (1B), (1C) and (4A) and regulation 4, where the Secretary of State receives an application from an authority in respect of a debtor who is entitled to universal credit, the Secretary of State may deduct an amount from the universal credit payable to the debtor which is equal to 5 per cent. of the appropriate universal credit standard allowance and pay that sum to the authority towards satisfaction of any outstanding sum which is or forms part of the amount in respect of which the summary warrant or decree was granted.

(1B) No amount may be deducted under paragraph (1A) where it would reduce the amount of universal credit payable to the debtor to less than 1 penny.

(1C) For the purpose of paragraph (1A), where 5 per cent. of the appropriate universal credit standard allowance results in a fraction of a penny, that fraction is to be disregarded if it is less than half a penny and otherwise it is to be treated as a penny.

(1D) In paragraphs (1A) and (1C), “appropriate universal credit standard allowance” means the appropriate universal credit standard allowance for the debtor for the assessment period in question under regulation 36 of the UC Regulations.”.

(4) After paragraph (4) insert—

“(4A) Before making a deduction under paragraph (1A), the Secretary of State must make any deduction which falls to be made in respect of a liability mentioned in paragraph 5(2)(a) to (c) of Schedule 6 to the UC etc. Claims and Payments Regulations.”.

Amendment of regulation 4

22. In regulation 4 (circumstances, time of making and determination of deductions)—

- (a) in paragraph (1), for “regulation 3” substitute “regulation 3(1) or (2)”;
- (b) after paragraph (1) insert—

“(1A) The Secretary of State may make deductions from universal credit under regulation 3(1A) only if—

- (a) the debtor is entitled to universal credit throughout any assessment period; and
 - (b) no deductions are being made in respect of the debtor under any other application.”
- ;

- (c) in paragraph (2), after “income support,” each time those words occur insert “universal credit;”.

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

Freud

Parliamentary-Under Secretary of State
Department for Work and Pensions

12th March 2013

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Fines (Deductions from Income Support) Regulations 1992 (S.I.1992/2182) (“the Fines Deductions Regulations”), the Council Tax (Deductions from Income Support) Regulations 1993 (S.I.1993/494) (“the Council Tax Deductions Regulations”), the Community Charges (Deductions from Income Support)(No.2) Regulations 1990 (S.I.1990/545) (“the Community Charges Deductions Regulations”) and the Community Charges (Deductions from Income Support)(Scotland) Regulations 1989 (S.I.1989/507) (“the Community Charges Deductions (Scotland) Regulations”).

Regulations 2 to 6 amend the Fines Deductions Regulations. First, they add universal credit (that being a new benefit introduced by Part 1 of the Welfare Reform Act 2012 (c.5) (“the 2012 Act”)) to the list of benefits from which deductions under those Regulations can be made to recover both fines and amounts payable under compensation orders. They ensure that such deductions are to be made when after the deduction, there will remain at least one penny of universal credit in payment. The amount of the deduction is to be a minimum of 5 per cent. of the appropriate universal credit standard allowance for the relevant assessment period up to a maximum deduction of £108.35 (regulation 5(3)). Provision is also made as to the circumstances when such deductions can be made by the Secretary of State, the timing of such deductions, when they are to cease and for rounding of the 5 per cent. figure.

Regulation 5(4) changes the rate of deduction where the offender is entitled to contribution-based jobseeker’s allowance or contributory employment and support allowance from one-third of the relevant age-related amount to 40 per cent. of that amount. Regulation 5(6) however makes provision excluding from the scope of that provision persons in respect of whom applications to recover fines by deductions are received by the Secretary of State before these Regulations come into force. Regulation 5(5) removes the relevant rounding rule which is no longer necessary.

Regulations 7 to 12 make similar amendments to the Council Tax Deductions Regulations which relate to recovery of outstanding council tax except that the amount deducted is to be 5 per cent. of the appropriate universal credit standard allowance for the relevant assessment period (regulation 11(3)). Regulation 11(6) however makes provision excluding from the scope of regulation 11(4) (equivalent to regulation 5(4)) persons in respect of whom applications to recover council tax by deduction are received by the Secretary of State before these Regulations come into force.

Regulations 13 to 17 amend the Community Charges Deductions Regulations and regulations 18 to 22 amend the Community Charges Deductions (Scotland) Regulations only to add universal credit to the list of benefits from which community charges can be recovered by deduction. They also provide (regulations 16(4) and 21(4)) that such deductions are to be made only after certain deductions have been made under Schedule 6 to the Universal Credit, Personal Independence Payment, Jobseeker’s Allowance and Employment and Support Allowance (Claims and Payments) Regulations 2013 (S.I.2013/380).

These Regulations also amend the definitions of “contribution-based jobseeker’s allowance” and “contributory employment and support allowance” applying in relation to deductions covered by these Regulations to reflect changes to those benefits made by the 2012 Act (regulations 3(4) and (5), 8(4) and (5) and 19(4) and (5)).

A full impact assessment has not been published for this instrument as it has no impact on the private sector or civil society organisations.

STATUTORY INSTRUMENTS

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from Universal Credit and Other Benefits) Regulations 2013

£5.75

E6093 03/2013 136093T 19585

ISBN 978-0-11-153695-7



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