
STATUTORY INSTRUMENTS

2014 No. 1230

The Universal Credit (Transitional Provisions) Regulations 2014

PART 2

TRANSITION TO UNIVERSAL CREDIT

CHAPTER 3

EFFECT OF TRANSITION TO UNIVERSAL CREDIT

Loss of benefit penalties: reduction of universal credit

36.—(1) Subject to paragraph (6) [^{F1}and to regulation 38] , where regulation 35 applies, the amount of a reduction of universal credit in respect of an assessment period is to be calculated by multiplying the daily reduction rate by the number of days in the assessment period, unless paragraph (2) applies.

(2) Where the disqualification period ends during an assessment period, the amount of the reduction for that assessment period is (subject to paragraph (6)) to be calculated by multiplying the daily reduction rate by the number of days in the assessment period which are within the disqualification period.

(3) Subject to paragraphs (4) and (5), the daily reduction rate where regulation 35 applies is an amount which is equal to—

- (a) the monetary amount by which payments in respect of the earlier award were reduced in accordance with section 6B or 7 of the 2001 Act or, as the case may be, regulation 3, 3ZA^{M1} or 17 of the 2001 Regulations in respect of the last complete week before the relevant date (within the meaning of regulation 35);
- (b) multiplied by 52;
- (c) divided by 365; and
- (d) rounded down to the nearest 10 pence.

(4) Where the monetary amount by which payments in respect of the earlier award would have been reduced would, if the claimant had remained entitled to the earlier award, have changed during the disqualification period because of an order made under section 150 of the Social Security Administration Act 1992 (annual up-rating of benefits)—

- (a) the daily reduction rate is to be calculated in accordance with paragraph (3), but on the basis of the new amount by which payments would have been reduced; and
- (b) any adjustment to the reduction of universal credit is to take effect from the first day of the first assessment period to start after the date of the change.

(5) Where the earlier award was a joint-claim jobseeker's allowance, the daily reduction rate is an amount which is equal to—

- (a) the amount of the standard allowance^{M2} applicable to the joint claimants under regulation 36 of the Universal Credit Regulations (table showing amounts of elements);

- (b) multiplied by 12;
- (c) divided by 365;
- (d) reduced by 60%; and
- (e) rounded down to the nearest 10 pence.

(6) The amount of the reduction under this regulation in respect of any assessment period is not to exceed the amount of the standard allowance which is applicable to the claimant in respect of that period.

Textual Amendments

- F1** Words in reg. 36(1) inserted (13.10.2014) by [The Universal Credit \(Transitional Provisions\) \(Amendment\) Regulations 2014 \(S.I. 2014/1626\)](#), **reg. 1(2)**, 6(1)
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Marginal Citations

- M1** Regulation 3ZA was inserted by [S.I. 2013/385](#).
- M2** See section 9 of the Act.

Changes to legislation:

There are currently no known outstanding effects for the The Universal Credit (Transitional Provisions) Regulations 2014, Section 36.