

2015 No. 1649

SOCIAL SECURITY

**The Universal Credit (Work Allowance) Amendment
Regulations 2015**

<i>Made</i>	- - - -	<i>7th September 2015</i>
<i>Laid before Parliament</i>		<i>10th September 2015</i>
<i>Coming into force</i>	- -	<i>11th April 2016</i>

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 8(3)(a), 40 and 42(1), (2) and (6) of the Welfare Reform Act 2012(a).

In accordance with section 173(1)(b) of the Social Security Administration Act 1992(b), the Social Security Advisory Committee has agreed that the proposals for these Regulations need not be referred to it.

Citation and commencement

1.—(1) These Regulations may be cited as the Universal Credit (Work Allowance) Amendment Regulations 2015 and come into force on 11th April 2016.

(2) Where the amendments made by these Regulations apply in respect of an existing award of universal credit, they have effect for the purposes of that award—

- (a) on 11th April 2016 if there is an assessment period for that award that begins on that day; or
- (b) if sub-paragraph (a) does not apply, on the first day of the next assessment period for the award beginning after that day.

(3) For the purposes of this regulation, “existing award of universal credit” means an award of universal credit that exists on 11th April 2016.

Changes to work allowances

2.—(1) Regulation 22 (deduction of income and work allowance) of the Universal Credit Regulations 2013(c) is amended as follows.

(2) For paragraph (1)(b) substitute—

“(b) the following amount of the claimant’s earned income (or, in the case of joint claimants, their combined earned income) in respect of the assessment period—

(a) 2012 c.5. Section 40 is an interpretation provision and is cited for the meaning of “prescribed”.
(b) 1992 c.5.
(c) S.I. 2013/376.

- (i) in a case where no work allowance is specified in the table below (that is where a single claimant does not have, or neither of joint claimants has, responsibility for a child or qualifying young person or limited capability for work), 65% of that earned income; or
- (ii) in any other case, 65% of the amount by which that earned income exceeds the work allowance specified in the table.”.

(3) For paragraph (3) substitute—

“(3) In the case of an award where the claimant is a member of a couple, but makes a claim as a single person, the amount to be deducted from the maximum amount in accordance with section 8(3) of the Act is the same as the amount that would be deducted in accordance with paragraph (1) if the couple were joint claimants.”.

(4) For the table substitute—

Higher work allowance		
Single claimant—		
	responsible for one or more children or qualifying young persons and/or has limited capability for work	£397
Joint claimants		
	responsible for one or more children or qualifying young persons and/or where one or both have limited capability for work	£397
Lower work allowance		
Single claimant—		
	responsible for one or more children or qualifying young persons and/or has limited capability for work	£192
Joint claimants—		
	responsible for one or more children or qualifying young persons and/or where one or both have limited capability for work	£192

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

Freud
Minister of State,
Department for Work and Pensions

7th September 2015

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Universal Credit Regulations 2013 by altering the amount of earned income that is deducted from the maximum amount of universal credit by virtue of section 8 of the Welfare Reform Act 2012 (c.5). A work allowance (that is the amount of earned income that is excluded from the 65% taper) will only apply if the claimant, or in the case of a couple either partner, is responsible for a child or qualifying young person or has limited capability for work. New amounts for the work allowance are given in the substituted table.

An impact assessment has not been produced for this instrument as it has no impact on business or civil society organisations.

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