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STATUTORY INSTRUMENTS

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**2020 No. 618**

**The Social Security (Income and Capital)  
(Miscellaneous Amendments) Regulations 2020**

**Amendment of the Universal Credit (Transitional Provisions) Regulations 2014**

9. In the Universal Credit (Transitional Provisions) Regulations 2014<sup>(1)</sup>, after regulation 10B insert—

**“Compensatory payment disregarded as capital**

**10C.**—(1) This regulation applies in relation to the calculation of an award of universal credit where—

- (a) the claimant has received a payment made to rectify, or to compensate for, an error made by an officer of the Department for Work and Pensions which was not caused or materially contributed to by any person outside the Department and which prevented or delayed an assessment of the claimant’s entitlement to contributory employment and support allowance; and
- (b) the payment is received before the first date on which, by virtue of section 33 of the Act (abolition of benefits), no claimant is entitled to an existing benefit.

(2) Where this regulation applies and the amount of the payment is less than £5,000, the payment is to be disregarded from the calculation of the claimant’s capital for 12 months from the date of receipt of the payment.

(3) Where—

- (a) this regulation applies;
- (b) the amount of the payment is £5,000 or more; and
- (c) the conditions set out in regulation 10A(1)(a) and (c) are met,

the payment is to be disregarded from the calculation of the claimant’s capital for 12 months from the date of receipt of the payment, or until the termination of the current award (if later).”.

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<sup>(1)</sup> [S.I. 2014/1230](#); relevant amending instruments are [S.I. 2018/932](#) and [2019/1314](#).