

WELFARE REFORM ACT 2012

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Universal credit

Schedule 2 – Universal credit: amendments

137. *Schedule 2* makes consequential amendments relating to the introduction of universal credit. This includes amendments to allow some universal credit claimants to receive other benefits such as free school meals or legal aid.
138. *Paragraph 1* amends various provisions in the Children Act 1989 so that universal credit claimants in particular circumstances may be exempted from contributing to the costs of certain services provided by local authorities.
139. *Paragraph 2* amends the Child Support Act 1991 so that where a person is paid universal credit and meets other prescribed conditions they will be taken to have no assessable income for the purposes of calculating maintenance payments.
140. *Paragraphs 3 to 34* amend SSAA 1992 to apply the provisions that relate to other benefits in respect of claims and payments to universal credit and to make other consequential amendments.
141. In particular, *paragraph 16* enables the Secretary of State to require rent officers to provide housing information for the purposes of universal credit or housing credit. *Paragraphs 17 to 21* make further provision relating to the supply of information for universal credit purposes.
142. *Paragraph 22* provides that rates of universal credit may be uprated annually by way of an uprating order. Under *paragraph 23* the amount of an award may be altered as a result of uprating without a further decision being made by the Secretary of State. Similarly *paragraph 24* allows for a person's universal credit award to be increased due to them reaching a particular age without a further decision. *Paragraph 25* makes consequential changes to existing financial provisions.
143. *Paragraphs 32 to 34* amend the Local Government Finance Act 1992 so that in certain circumstances outstanding amounts of council tax owed to a local authority may be deducted directly from an award of universal credit.
144. *Paragraph 35* amends section 2(3C) of JA 1995, as inserted by section 12(5) of WRA 2009, so that a person may be taken to have met the first contribution condition for contributory JSA in prescribed circumstances when they have been in receipt of universal credit.
145. *Paragraph 36* contains amendments to the Housing Act 1996 which make provision relating to the functions of rent officers in relation to universal credit.
146. *Paragraphs 37 to 39* make amendments to the Education Act 1996 relating to school trips and free school meals. Under section 457 of the Act a pupil's parents are

*These notes refer to the Welfare Reform Act 2012
(c.5) which received Royal Assent on 8 March 2012*

excluded from paying for board and lodging on school trips if they are in receipt of IS, income-based JSA or prescribed elements of tax credits. Paragraph 38 amends this so that eligibility will be based on receipt of universal credit and other prescribed circumstances. Paragraph 39 makes similar provision relating to free school meals and the right to request free milk at school.

147. *Paragraphs 40 to 42* apply the provisions of the Social Security (Recovery of Benefits) Act 1997 to universal credit, so that if a person is awarded damages to compensate for wrongful dismissal or personal injury which has resulted in a claim to universal credit the amount of damages received may be reduced by the amount of benefit paid.
148. The amendments in *paragraphs 43 to 51* apply provisions in SSA 1998 relating to the making, supersession and revision of benefit decisions to universal credit.
149. *Paragraphs 52 to 54* make amendments to the Immigrations and Asylum Act 1999 so that people subject to immigration control cannot claim universal credit, except in prescribed circumstances.
150. *Paragraph 55* amends the Child Support, Pensions and Social Security Act 2000 to enable local authorities to make discretionary housing payments to universal credit claimants.
151. *Paragraphs 56 to 63* amend the SSFA 2001 to apply its provisions to universal credit.
152. *Paragraph 64* amends the SPCA 2002 so that a member of a couple who has attained the qualifying age for state pension credit may not receive state pension credit if the other member of the couple has not attained that qualifying age. This is to ensure that all claimants who have not attained the qualifying age for state pension credit are required to claim universal credit and, if appropriate, be subject to work-related conditions of entitlement.
153. *Paragraph 65* amends paragraph 1(5) of Schedule 1 of WRA 2007 so that a person may be taken to have met the first contribution condition for contributory ESA in prescribed circumstances when they have been in receipt of universal credit.