

STATUTORY INSTRUMENTS

2001 No. 4022

The Social Security (Loss of Benefit) Regulations 2001

PART II

REDUCTIONS

Reduction of income support [^{F1}and income-related employment and support allowance]

3.—(1) Subject to paragraphs (2) [^{F2}and (3)], any payment of income support [^{F3}or an income-related employment and support allowance] which falls to be made to an offender in respect of any week in the disqualification period, or to an offender’s family member in respect of any week in the relevant period, shall be reduced—

- (a) where the claimant or a member of his family is pregnant or seriously ill, by a sum equivalent to 20 per cent.;
- (b) where the applicable amount of the offender used to calculate that payment of income support has been reduced pursuant to regulation 22A of the Income Support Regulations ^{M1} (appeal against a decision embodying an incapacity for work determination), whether or not the appeal referred to in that regulation is successful, by a sum equivalent to 20 per cent.;
- (c) in any other case, by a sum equivalent to 40 per cent.,

of the applicable amount of the offender in respect of a single claimant for income support on the first day of the disqualification period or, as the case may be, on the first day of the relevant period, and specified in paragraph 1(1) of Schedule 2 to the Income Support Regulations.

(2) Payment shall not be reduced under paragraph (1) to below 10 pence per week.

(3) A reduction under paragraph (1) shall, if it is not a multiple of 5p, be rounded to the nearest such multiple or, if it is a multiple of 2.5p but not of 5p, to the next lower multiple of 5p.

^{F4}(4)

(5) Where the rate of income support [^{F5}or an income-related employment and support allowance] payable to an offender or an offender’s family member changes, the rules set out above for a reduction in the benefit payable shall be applied to the new rate and any adjustment to the reduction shall take effect from the first day of the first benefit week to start after the date of the change.

(6) In this regulation, “benefit week” shall have the same meaning as in regulation of 2(1) of the Income Support Regulations [^{F6}^{F7}or, as the case may be, regulation 2(1) of the Employment and Support Allowance Regulations 2008]

Textual Amendments

- F1** Words in reg. 3 omitted (1.4.2013) by virtue of [The Social Security \(Loss of Benefit\)\(Amendment\) Regulations 2013 \(S.I. 2013/385\)](#), regs. 1(2)(c), **7(2)** (with reg. 7(6))

- F2** Words in reg. 3(1) substituted (for specified purposes and with effect in accordance with reg. 1(3) of the amending S.I.) by [Welfare Reform Act 2009 \(Section 26\) \(Consequential Amendments\) Regulations 2010 \(S.I. 2010/424\)](#), [reg. 7\(2\)\(a\)](#)
- F3** Words in reg. 3(1) omitted (1.4.2013) by virtue of [The Social Security \(Loss of Benefit\)\(Amendment\) Regulations 2013 \(S.I. 2013/385\)](#), [regs. 1\(2\)\(c\), 7\(3\)](#) (with [reg. 7\(6\)](#))
- F4** Reg. 3(4) omitted (E.W.S.) (for specified purposes and with effect in accordance with reg. 1(3) of the amending S.I.) by virtue of [Welfare Reform Act 2009 \(Section 26\) \(Consequential Amendments\) Regulations 2010 \(S.I. 2010/424\)](#), [reg. 7\(2\)\(b\)](#)
- F5** Words in reg. 3(5) omitted (1.4.2013) by virtue of [The Social Security \(Loss of Benefit\)\(Amendment\) Regulations 2013 \(S.I. 2013/385\)](#), [regs. 1\(2\)\(c\), 7\(4\)](#) (with [reg. 7\(6\)](#))
- F6** Words in reg. 3(6) omitted (1.4.2013) by virtue of [The Social Security \(Loss of Benefit\)\(Amendment\) Regulations 2013 \(S.I. 2013/385\)](#), [regs. 1\(2\)\(c\), 7\(5\)](#) (with [reg. 7\(6\)](#))
- F7** Words in reg. 3(6) added (27.10.2008) by [Employment and Support Allowance \(Consequential Provisions\) \(No.2\) Regulations 2008 \(S.I. 2008/1554\)](#), [regs. 1\(2\)\(b\), 56\(3\)\(e\)](#)

Marginal Citations

- M1** Regulation 22A was inserted by [S.I. 1996/206](#) and amended by [S.I. 1999/2422](#), [1999/3109](#) and [2000/590](#).

[F8]Reduction of income-related employment and support allowance

3ZA.—(1) Subject to paragraphs (4) and (5), any payment of an income-related employment and support allowance which falls to be made to an offender in respect of any week in the disqualification period or to an offender’s family member in respect of any week in the relevant period is to be reduced in accordance with paragraph (2).

- (2) The amount of the reduction is to be—
- where the offender or, as the case may be, the offender’s family member, is pregnant or seriously ill, a sum equivalent to 20 per cent.;
 - where the offender or, as the case may be, the offender’s family member is subject to no work-related requirements for the purpose of section 11D of the 2007 Act , a sum equivalent to 40 per cent.;
 - in any other case, a sum equivalent to 100 per cent.,

of the applicable amount for a single claimant specified in paragraph 1(1) of Schedule 4 to the ESA Regulations on the day specified in paragraph (3).

- (3) The specified day is—
- where a payment to the offender falls to be reduced, on the first day of the disqualification period; or
 - where a payment to the offender’s family member falls to be reduced, on the first day of the relevant period.
- (4) Payment must not be reduced under paragraph (2) to below 10 pence per week.
- (5) A reduction under paragraph (2) must, if it is not a multiple of 5 pence, be rounded to the nearest such multiple or, if it is a multiple of 2.5 pence but not of 5 pence, to the next lower multiple of 5 pence.
- (6) Where the rate of an income-related employment and support allowance payable to an offender or an offender’s family member changes, the rules set out above for a reduction in the allowance payable are to be applied to the new rate and any adjustment to the reduction shall take effect from the first day of the first benefit week to start after the date of change.

(7) In paragraph (6), “benefit week” has the same meaning as in regulation 2(1) of the ESA Regulations .]

Textual Amendments

F8 Reg. 3ZA inserted (1.4.2013) by [The Social Security \(Loss of Benefit\)\(Amendment\) Regulations 2013 \(S.I. 2013/385\)](#), regs. 1(2)(c), **8**

[^{F9}Reduction of universal credit

3ZB.—(2) Any payment of universal credit which falls to be made to an offender or an offender’s family member (“O”) in respect of an assessment period wholly or partly within a disqualification period is to be reduced in accordance with paragraph (2) or (5).

(2) Except where paragraph (5) applies and subject to paragraphs (6) and (7), the amount of the reduction is to be calculated by multiplying the daily reduction rate by the number of days in the assessment period or, if lower, the number of days in the assessment period to which the reduction is to relate.

(3) The daily reduction rate for the purposes of paragraph (2) is, unless paragraph (4) applies, an amount equal to the amount of the standard allowance applicable to the award multiplied by 12 and divided by 365.

(4) The daily reduction rate for the purposes of paragraph (2) is 40 per cent. of the rate calculated in accordance with paragraph (3) if, at the end of the assessment period—

(a) O, or where O is a joint claimant, the other joint claimant (“J”), falls within section 19 of the 2012 Act (claimant subject no work-related requirements) by virtue of—

- (i) subsection (2)(c) of that section (responsible carer for a child under the age of 1), or
- (ii) regulation 89(1)(c), (d) or (f) of the UC Regulations (adopter, claimants within 11 weeks before, or 15 weeks after, confinement or responsible foster parent of a child under the age of 1); or

(b) O or, as the case may be, O or J, falls within section 20 of the 2012 Act (claimant subject to work-focused interview only).

(5) Where the disqualification period ends during an assessment period, the amount of the reduction for that assessment period is to be calculated by multiplying the daily reduction rate under paragraph (3) or, as the case may be, paragraph (4) by the number of days in that assessment period which are within the disqualification period.

(6) The amount of the daily reduction rate in paragraphs (3) and (4) is to be rounded down to the nearest 10 pence.

(7) The amount of the reduction under paragraph (2) in respect of any assessment period must not exceed the amount of the standard allowance which is applicable to O in respect of that period.

(8) Where the rate of universal credit payable to O or as the case may be, to O and J, changes, the rules set out above for a reduction in the universal credit payable are to be applied to the new rate and any adjustment to the reduction is to take effect from the first day of the first assessment period to start after the date of the change.

(9) In the case of joint claimants—

- (a) each joint claimant is considered individually for the purpose of determining the rate applicable under paragraph (3) or (4); and
- (b) half of any applicable rate is applied to each joint claimant accordingly.

(10) In this regulation, “standard allowance” means the allowance of that name, the amount of which is set out in regulation 36 of the UC Regulations.]

Textual Amendments

F9 Reg. 3ZB inserted (29.4.2013) by [The Social Security \(Loss of Benefit\)\(Amendment\) Regulations 2013 \(S.I. 2013/385\)](#), reg. 1(2)(a)(3)**9**

Modifications etc. (not altering text)

C1 Reg. 3ZB excluded (E.W.S.) (16.6.2014) by [The Universal Credit \(Transitional Provisions\) Regulations 2014 \(S.I. 2014/1230\)](#), regs. 1(2), **35(5)**

[^{F10}Reduction in state pension credit

3A.—(1) Subject to the following provisions of this regulation, state pension credit shall be payable in the case of an offender for any week comprised in the disqualification period or in the case of an offender’s family member for any week comprised in the relevant period, as if the rate of benefit were reduced—

- (a) where the offender or the offender’s family member is pregnant or seriously ill, by 20 per cent. of the relevant sum; or
 - (b) where sub-paragraph (a) does not apply, by 40 per cent. of the relevant sum.
- (2) In paragraph (1), the “relevant sum” is the amount applicable—
- (a) except where sub-paragraph (b) applies, in respect of a single claimant aged not less than 25 under paragraph 1(1) of Schedule 2 to the Income Support Regulations ; or
 - (b) if the claimant’s family member is the offender and the offender has not attained the age of 25, the amount applicable in respect of a person of the offender’s age under paragraph 1(1) of Part I of that Schedule,

on the first day of the disqualification period or, as the case may be, on the first day of the relevant period.

(3) Payment of state pension credit shall not be reduced under this regulation to less than 10 pence per week.

(4) A reduction under paragraph (1) shall, if it is not a multiple of 5 pence, be rounded to the nearest such multiple or, if it is a multiple of 2.5 pence but not of 5 pence, to the next lower multiple of 5 pence.

(5) Where the rate of state pension credit payable to an offender or an offender’s family member changes, the rules set out above for a reduction in the credit payable shall be applied to the new rate and any adjustment to the reduction shall take effect from the first day of the first benefit week to start after the date of change.

(6) In paragraph (5), “benefit week” has the same meaning as in regulation 1(2) of the State Pension Credit Regulations 2002.

(7) A person of a prescribed description for the purposes of the definition of “family” in section 137(1) of the Benefits Act as it applies for the purpose of this regulation is—

- (a) a person who is an additional spouse for the purposes of section 12(1) of the State Pension Credit Act 2002 (additional spouse in the case of polygamous marriages);
- (b) a person [^{F11}aged 16 or over who is treated as a child for the purposes of section 142[^{F11}who is a qualifying young person for the purposes of section 142(2)]] of the Benefits Act].

Textual Amendments

- F10** Reg. 3A inserted (E.W.S.) (6.10.2003) by [The State Pension Credit Regulations 2002 \(S.I. 2002/1792\)](#) , regs. 1(1) , **25(3)**
- F11** Words in reg. 3A(7)(b) substituted (E.W.S.) (1.4.2013) by [The Social Security \(Loss of Benefit\) \(Amendment\) Regulations 2013 \(S.I. 2013/385\)](#) , regs. 1(2)(c) , **10**

Reduction of joint-claim jobseeker's allowance

4. In respect of any part of the disqualification period when section 8(2) of the Act does not apply, the reduced rate of joint-claim jobseeker's allowance payable to the member of that couple who is not the offender shall be—

- (a) in any case in which the member of the couple who is not the offender satisfies the conditions set out in section 2 of the Jobseekers Act (contribution-based conditions), a rate equal to the amount calculated in accordance with section 4(1) of that Act;
- (b) in any case where the couple are a couple in hardship for the purposes of regulation 11, a rate equal to the amount calculated in accordance with regulation 16;
- (c) in any other case, a rate calculated in accordance with section 4(3A) of the Jobseekers Act ^{M2} save that the applicable amount shall be the amount determined by reference to paragraph 1(1) of Schedule 1 to the Jobseeker's Allowance Regulations as if the member of the couple who is not the offender were a single claimant.

Marginal Citations

- M2** Section 4(3A) was inserted by section 59 of, and paragraph 5(3) of Schedule 7 to, the [Welfare Reform and Pensions Act 1999 \(c. 30\)](#).

Changes to legislation:

There are currently no known outstanding effects for the The Social Security (Loss of Benefit) Regulations 2001, PART II.