STATUTORY INSTRUMENTS

2013 No. 385

The Social Security (Loss of Benefit) (Amendment) Regulations 2013

Insertion of Part 4B

14. After Part 4A insert—

"Part 4B

Hardship: Universal Credit

Payment of universal credit to specified persons

16D.—(1) Subject to regulation 16E, universal credit is payable in accordance with the following provisions of this Part to an offender or an offender's family member ("O") or where O is a joint claimant, to O and the other joint claimant ("J"), where the Secretary of State is satisfied that they are in hardship.

(2) For the purposes of paragraph (1), O or, as the case may be, O and J must be considered as being in hardship only where—

(a) they meet the conditions for entitlement to universal credit;

(b) they cannot meet their immediate and most basic and essential needs, specified in paragraph (3), or the immediate and most basic and essential needs of a child or qualifying young person for whom O is, or O and J are, responsible only because the amount of their award has been reduced under—

(i) section 26 or 27 of the 2012 Act by the daily reduction rate determined in accordance with regulation 111 of the UC Regulations; or

(ii) regulation 3ZB above by the daily reduction rate determined in accordance with paragraph (3) or (4) of that regulation;

(c) they have made every effort to access alternative sources of support to meet, or partially meet, such needs; and

(d) they have made every effort to cease to incur any expenditure which does not relate to such needs.

(3) The needs referred to in paragraph (2) are—

(a) accommodation;

(b) heating;

(c) food;

(d) hygiene.

(4) In paragraph (2)(b), "child" and "qualifying young person" have the same meaning as in Part 1 of the 2012 Act(**1**) and whether or not O is, or O and J are, responsible for a child or qualifying young person is to be determined in accordance with regulation 4 of the UC Regulations.

Requirements for payments under regulation 16D(1)

16E. The Secretary of State must not make a payment under regulation 16D(1) unless—

(a) O completes and submits or, as the case may be, O and J complete and submit, an application in a form approved for the purpose by the Secretary of State, or in such other form as the Secretary of State accepts as sufficient, in such manner as the Secretary of State determines;

(b) O furnishes or, as the case may be, O and J furnish, such information or evidence relating to the matters specified in regulation 16D(2)(b) to (d) as the Secretary of State may require, in such manner as the Secretary of State determines; and

(c) O accepts or, as the case may be O and J accept, that any such payments that are paid are recoverable and may be recovered in accordance with section 71ZH of the Administration Act (**2**), except in such cases as the Secretary of State determines otherwise.

Period in respect of which payments under regulation 16D(1) are to be made

16F. A payment under regulation 16D(1) is to be made in respect of—

(a) a period which—

(i) begins with the date on which the application under regulation 16E(a) is submitted or, if later, the date on which all of the conditions in regulation 16D(2) are met; and

(ii) ends with the day before the date on which O's, or as the case may be, O and J's next full payment of universal credit for an assessment period is due to be made (or would be made but for a reduction under regulation 3ZB); or

(b) where the period calculated in accordance with paragraph (a) is 7 days or less, that period plus a further period ending with the day referred to in paragraph (a)(ii) or, if sooner, the last day in respect of which O's, or as the case may be, O and J's award is reduced in accordance with regulation 3ZB.

The amount of payments under regulation 16D(1)

16G. The amount of a payment under regulation 16D(1) for each day in respect of which such a payment is to be is made is to be determined in accordance with the formula—

$$60\% \text{ of } \left(\frac{A \times 12}{365} \right)$$

where A is equal to the amount of the reduction in the amount of O's award or, as the case may be, the amount of O and J's award, calculated under regulation 3ZB for the assessment period preceding the assessment period in which an application is submitted under regulation 16E(a).

(**1**) *See* section 40 of that Act.

(**2**) 1992 c.5. Section 71ZH is inserted by section 105(1) of the Welfare Reform Act 2012.

Recoverability of payments made under regulation 16D(1)

16H. Payments made under regulation 16D(1) are recoverable by virtue of section 71ZH of the Administration Act as if they were hardship payments under regulation 116 of the UC Regulations and for this purpose, regulation 119 of those Regulations applies to payments under regulation 16D(1) as it applies to such hardship payments.”.