

DRAFT STATUTORY INSTRUMENTS

**2013 No.**

**The Universal Credit Regulations 2013**

**PART 3**

**AWARDS**

**Deduction of income and work allowance**

**22.**—(1) The amounts to be deducted from the maximum amount in accordance with section 8(3) of the Act to determine the amount of an award of universal credit are—

- (a) all of the claimant’s unearned income (or in the case of joint claimants all of their combined unearned income) in respect of the assessment period; and
- (b) 65% of the amount by which the claimant’s earned income (or, in the case of joint claimants, their combined earned income) in respect of the assessment period exceeds the work allowance.

(2) The amount of the work allowance is—

- (a) if the award contains no amount for the housing costs element, the applicable amount of the higher work allowance specified in the table below; and
- (b) if the award does contain an amount for the housing costs element, the applicable amount of the lower work allowance specified in that table.

(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—

- (a) all of the couple’s combined unearned income in respect of the assessment period; and
- (b) 65% of the amount by which the couple’s combined earned income in respect of the assessment period exceeds the work allowance,

and the applicable amount of the work allowance is the same amount as for joint claimants.

<i>Higher work allowance (taking the highest of whichever of the following amounts is applicable)—</i>	
Single claimant—	
not responsible for a child or qualifying young person	£111
responsible for one or more children or qualifying young persons	£734
has limited capability for work	£647
Joint claimants—	
neither responsible for a child or qualifying young person	£111
responsible for one or more children or qualifying young persons	£536

<i>Higher work allowance (taking the highest of whichever of the following amounts is applicable)—</i>		
	one or both have limited capability for work	£647
Lower work allowance (taking the highest of whichever of the following amounts is applicable) —		
Single claimant—		
	not responsible for a child or qualifying young person	£111
	responsible for one or more children or qualifying young persons	£263
	has limited capability for work	£192
Joint claimants—		
	neither responsible for a child or qualifying young person	£111
	responsible for one or more children or qualifying young persons	£222
	one or both have limited capability for work	£192