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DRAFT STATUTORY INSTRUMENTS

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**2013 No.**

**The Universal Credit Regulations 2013**

**PART 6**

**CALCULATION OF CAPITAL AND INCOME**

**CHAPTER 2**

**EARNED INCOME**

**Notional earned income**

**60.**—(1) A person who has deprived themselves of earned income, or whose employer has arranged for them to be so deprived, for the purpose of securing entitlement to universal credit or to an increased amount of universal credit is to be treated as possessing that earned income.

(2) Such a purpose is to be treated as existing if, in fact, entitlement or higher entitlement to universal credit did result and, in the opinion of the Secretary of State, this was a foreseeable and intended consequence of the deprivation.

(3) If a person provides services for another person and—

(a) the other person makes no payment for those services or pays less than would be paid for comparable services in the same location; and

(b) the means of the other person were sufficient to pay for, or pay more for, those services, the person who provides the services is to be treated as having received the remuneration that would be reasonable for the provision of those services.

(4) Paragraph (3) does not apply where—

(a) the person is engaged to provide the services by a charitable or voluntary organisation and the Secretary of State is satisfied that it is reasonable to provide the services free of charge or at less than the rate that would be paid for comparable services in the same location;

(b) the services are provided by a person who is participating as a service user (see regulation 53(2)); or

(c) the services are provided under or in connection with a person's participation in an employment or training programme approved by the Secretary of State.