
STATUTORY INSTRUMENTS

2013 No. 384

**The Social Security (Overpayments
and Recovery) Regulations 2013**

PART 5

The process of recovery

Recovery by deduction from benefits

10.—(1) Subject to regulations 11 to 14, the Secretary of State may recover a recoverable amount from a liable person by deduction from the benefits specified in paragraph (2) which are payable to them.

(2) Those benefits are—

- (a) benefits under Parts 2 to 5 of the Social Security Contributions and Benefits Act 1992⁽¹⁾;
- (b) universal credit;
- (c) jobseeker's allowance;
- (d) employment and support allowance;
- (e) state pension credit payable under the State Pension Credit Act 2002⁽²⁾; and
- (f) personal independence payment payable under Part 4 of the 2012 Act.

Recovery by deduction from universal credit

11.—(1) The following paragraphs apply where the recoverable amount falls to be recovered by deduction from universal credit payable to the liable person.

(2) Subject to paragraphs (5) to (9), regulation 10 is to apply to the amount of universal credit to which the liable person is presently entitled to the extent that there may be recovered in any one assessment period—

- (a) in a case to which paragraph (3) applies, an amount equivalent to not more than 8 times 5 per cent. of the appropriate universal credit standard allowance;
- (b) in a case to which paragraph (4) applies but paragraph (3) does not apply, an amount equivalent to not more than 5 times 5 per cent. of that allowance; and
- (c) in any other case, an amount equivalent to not more than 3 times 5 per cent. of that allowance.

(3) This paragraph applies where deductions from universal credit are made to recover from the liable person—

- (a) the whole or part of an overpayment in respect of which the liable person has—
 - (i) been found guilty of an offence whether under statute or otherwise;

(1) 1992 c.4.
(2) 2002 c.21.

- (ii) made an admission after caution of deception or fraud for the purpose of obtaining benefit under the Act or a tax credit under the Tax Credits Act 2002; or
- (iii) agreed to pay a penalty under section 115A of the Act (penalty as an alternative to prosecution) and the agreement has not been withdrawn; or
- (b) a payment which is recoverable by virtue of section 71ZH of the Act (hardship payments).
- (4) This paragraph applies where amounts are deducted from earned income in an award of universal credit by virtue of regulation 22(1)(b) of the UC Regulations (adjustment to take account of income and amount of earnings disregarded).
- (5) Paragraph (2) is subject to paragraphs 4 and 5 of Schedule 6 to the UC etc. Claims and Payments Regulations (payments to third parties).
- (6) Where the amount deductible under paragraph (2) is not a multiple of five pence, it is to be rounded up to the next higher such multiple.
- (7) No deduction made under paragraph (2) is to be applied so as to reduce the universal credit in respect of an assessment period to less than 1 penny.
- (8) The limitations in paragraph (2) do not apply where the deduction falls to be made from any payment of arrears of universal credit other than any arrears caused by the operation of regulation 46 of the Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Decisions and Appeals) Regulations 2013 **(3)**(making of payments which have been suspended).
- (9) The limitations in paragraph (2) do not apply where—
 - (a) the recoverable amount is an overpayment of housing costs; and
 - (b) the person from whom that amount falls to be recovered is not the claimant.
- (10) In this regulation and in regulation 14, “admission after caution” means—
 - (a) in England and Wales, an admission after a caution has been administered in accordance with a Code issued under the Police and Criminal Evidence Act 1984**(4)**;
 - (b) in Scotland, admission after a caution has been administered, such admission being duly witnessed by two persons.
- (11) In paragraph (2), “the appropriate universal credit standard allowance” means the appropriate universal credit standard allowance included in the award of universal credit made to the liable person, or to the liable person and their partner as joint claimants**(5)**, by virtue of regulation 36 of the UC Regulations.

Recovery by deduction from jobseeker's allowance

12.—(1) The following paragraphs apply where the recoverable amount falls to be recovered by deduction from jobseeker's allowance payable to the liable person.

- (2) Subject to paragraphs (3) and (4), regulation 10 is to apply to the amount of a jobseeker's allowance to which the liable person is presently entitled to the extent that there may be recovered in respect of any benefit week an amount equivalent to 40 per cent. of the age-related amount applicable to the liable person as specified in regulation 49 of the Jobseeker's Allowance Regulations 2013**(6)**.
- (3) Paragraph (2) is subject to paragraphs 4 and 5 of Schedule 6 to the UC etc. Claims and Payments Regulations (payments to third parties).

(3) [S.I.2013/381](#).

(4) [1984 c. 60](#).

(5) See section 40 of the 2012 Act.

(6) [S.I.2013/378](#).

(4) Where the amount deductible under paragraph (2) is not a multiple of five pence, it is to be rounded up to the next higher such multiple.

(5) In paragraph (2), “benefit week” has the same meaning as in regulation 2(1) of the Jobseeker’s Allowance Regulations 2013.

Recovery by deduction from employment and support allowance

13.—(1) The following paragraphs apply where the recoverable amount falls to be recovered by deduction from employment and support allowance payable to the liable person.

(2) Subject to paragraphs (3) and (4), regulation 10 is to apply to the amount of an employment and support allowance to which the liable person is presently entitled to the extent that there may be recovered in respect of any one benefit week an amount equivalent to 40 per cent. of the age-related amount applicable to the liable person as specified in regulation 62(1)(b) of the Employment and Support Allowance Regulations 2013(7).

(3) Paragraph (2) is subject to paragraphs 4 and 5 of Schedule 6 to the UC etc. Claims and Payments Regulations (payments to third parties).

(4) Where the amount deductible under paragraph (2) is not a multiple of five pence, it is to be rounded up to the next higher such multiple.

(5) In paragraph (2), “benefit week” has the same meaning as in regulation 2 of the Employment and Support Allowance Regulations 2013.

Recovery by deduction from state pension credit

14.—(1) The following paragraphs apply where the recoverable amount falls to be recovered by deduction from state pension credit payable to the liable person.

(2) Subject to paragraphs (4) and (5), regulation 10 is to apply to the amount of state pension credit to which the liable person is presently entitled to the extent that there may be recovered in any one benefit week—

- (a) in a case to which paragraph (3) applies, an amount equivalent to not more than 5 times 5 per cent. of the standard allowance for a single person aged 25 or over under regulation 36 of the UC Regulations; and
- (b) in any other case, an amount equivalent to not more than 3 times 5 per cent. of that allowance.

(3) This paragraph applies where deductions from state pension credit are made to recover from the liable person—

- (a) the whole or part of an overpayment in respect of which the liable person has—
 - (i) been found guilty of an offence whether under statute or otherwise;
 - (ii) made an admission after caution of deception or fraud for the purpose of obtaining universal credit, jobseeker’s allowance or employment and support allowance; or
 - (iii) agreed to pay a penalty under section 115A of the Act (penalty as an alternative to prosecution) and the agreement has not been withdrawn; or
- (b) a payment which is recoverable by virtue of section 71ZH of the Act (hardship payments).

(4) Where the amount deductible under paragraph (2) is not a multiple of five pence, it is to be rounded up to the next higher such multiple.

(5) No deduction made under paragraph (2) is to be applied so as to reduce the state pension credit in respect of a benefit week to less than 10 pence.

(7) [S.I.2013/379](#).

(6) In this regulation, “benefit week” has the same meaning as in regulation 2(1) of the State Pension Credit Regulations 2002(8).

Restrictions on recovery of rent and consequent notifications

15.—(1) Paragraph (2) applies where, pursuant to section 71ZC(2)(b) of the Act, an amount of housing costs has been, or falls to be, recovered by deduction from benefit paid to a person (“the landlord”) to discharge (in whole or in part) an obligation owed to the landlord by the person on whose behalf the recoverable amount was paid (“the tenant”).

(2) Where, in respect of the overpayment of that amount, the landlord has—

- (a) been found guilty of an offence whether under statute or otherwise; or
- (b) agreed to pay a penalty under section 115A of the Act (penalty as an alternative to prosecution) and the agreement has not been withdrawn,

that obligation is to be taken to be discharged by the amount of the deduction.

(3) In any case to which paragraph (2) applies or will apply when recovery is made, the Secretary of State must notify both the landlord and the tenant—

- (a) that the overpayment that it has recovered or that the Secretary of State has determined to recover (“that sum”) is, or will be, one to which paragraph (2) applies; and
- (b) that the landlord has no right in relation to that sum against the tenant, and that the tenant’s obligation to the landlord is to be taken to be discharged by the amount so recovered.

Offsetting

16.—(1) Paragraph (2) applies where a person has been paid a sum of benefit under a decision (“the original decision”) which is subsequently—

- (a) revised or further revised;
- (b) superseded or further superseded; or
- (c) set aside on an appeal.

(2) Any universal credit, jobseeker’s allowance or employment and support allowance paid in respect of a period covered by the subsequent decision is to be offset against arrears of entitlement to benefit under that decision and, except to the extent that the universal credit, jobseeker’s allowance or employment and support allowance exceeds the arrears, is to be treated as properly paid on account of them.

(3) Where an amount has been deducted under regulation 8 or 9 (sums to be deducted in calculating recoverable overpayments), an equivalent sum is to be offset against any arrears of entitlement under the subsequent decision except to the extent that the sum exceeds the arrears and is to be treated as properly paid on account of them.

(4) No amount may be offset under paragraph (2) which is an overpayment.

(5) In this regulation, “subsequent decision” means the decision referred to in paragraph (1)(a), (b) or (c) which was taken in relation to the original decision.