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STATUTORY INSTRUMENTS

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**2013 No. 384**

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

**PART 5**

The process of recovery

**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 [<sup>F1</sup>40 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 [<sup>F2</sup>25 per cent.] of that allowance; and
- (c) in any other case, an amount equivalent to not more than [<sup>F3</sup>15 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;
  - (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pay a penalty under section 115A of the Act (penalty as an alternative to prosecution) and the agreement has not been withdrawn; or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).

[<sup>F4</sup>(6) For the purpose of paragraph (2), where the relevant percentage of the appropriate universal credit standard allowance results in a fraction of a penny, that fraction is to be disregarded if it is less than half a penny and otherwise it is to be treated as a penny.]

(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 <sup>M1</sup>(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 <sup>M2</sup>;
- (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 <sup>M3</sup>, by virtue of regulation 36 of the UC Regulations.

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| <b>F1</b> | Words in reg. 11(2)(a) substituted (29.7.2013) by <a href="#">The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2013 (S.I. 2013/1508)</a> , regs. 1(2)(a), <b>8(2)(a)</b> |
| <b>F2</b> | Words in reg. 11(2)(b) substituted (29.7.2013) by <a href="#">The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2013 (S.I. 2013/1508)</a> , regs. 1(2)(a), <b>8(2)(b)</b> |
| <b>F3</b> | Words in reg. 11(2)(c) substituted (29.7.2013) by <a href="#">The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2013 (S.I. 2013/1508)</a> , regs. 1(2)(a), <b>8(2)(c)</b> |
| <b>F4</b> | Reg. 11(6) substituted (29.7.2013) by <a href="#">The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2013 (S.I. 2013/1508)</a> , regs. 1(2)(a), <b>8(3)</b>                |

#### Marginal Citations

- M1** [S.I.2013/381](#).  
**M2** [1984 c. 60](#).  
**M3** *See* section 40 of the 2012 Act.

**Changes to legislation:**

There are currently no known outstanding effects for the The Social Security (Overpayments and Recovery) Regulations 2013, Section 11.