

**2021 No. 1283**

**SOCIAL SECURITY**

**The Universal Credit (Work Allowance and Taper)  
(Amendment) Regulations 2021**

<i>Made</i> - - - -	<i>15th November 2021</i>
<i>Laid before Parliament</i>	<i>18th November 2021</i>
<i>Coming into force</i> - -	<i>24th November 2021</i>

The Secretary of State makes the following Regulations in exercise of powers conferred by sections 8(3)(a), 40 and 42(1) to (3) of, and paragraph 4(1) and (3) of Schedule 1 to, the Welfare Reform Act 2012(a).

The Social Security Advisory Committee has agreed that the proposals in respect of these Regulations should not be referred to it(b).

**Citation, commencement and interpretation**

**1.**—(1) These Regulations may be cited as the Universal Credit (Work Allowance and Taper) (Amendment) Regulations 2021 and, subject to paragraph (2), come into force on 24th November 2021.

(2) In relation to a claimant who is entitled to universal credit on 24th November 2021, the amendments made by these Regulations have effect for any assessment period(c) ending on or after that date.

(3) In these Regulations “the Universal Credit Regulations” means the Universal Credit Regulations 2013(d)

**Decrease in the universal credit taper**

**2.**—(1) In regulation 22(1)(b)(i) and (ii) of the Universal Credit Regulations (deduction of income and work allowance) for “63%” substitute “55%”(e).

(2) In regulation 54A(6) of those Regulations(f) (surplus earnings) for the formula expressing the nil UC threshold substitute—

$$“(M - U) / 55 \times 100 + WA”.$$

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(a) 2012 c. 5. Section 40 is cited for the meaning of “prescribed”.  
(b) See section 173(1)(b) of the Social Security Administration Act 1992 (1992 c. 5).  
(c) See section 40 of the Welfare Reform Act 2012 for the definition of “assessment period”.  
(d) S.I. 2013/376.  
(e) S.I. 2017/348 substituted “63%” for “65%”.  
(f) Regulation 54A was inserted by S.I. 2015/345 and substituted by 2018/65.

### **Increase in the work allowance**

3. In the table of work allowances set out in regulation 22 of the Universal Credit Regulations (deduction of income and work allowance)(a)—

- (a) for “£515.00” substitute “£557.00”; and
- (b) for “£293.00” substitute “£335.00”.

Signed by

15th November 2021

*Thérèse Coffey*  
Secretary of State  
Department for Work and Pensions

### **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations provide for the changes to the work allowance and taper rate in universal credit announced by the Chancellor of the Exchequer on 27th October 2021.

In accordance with regulation 1, the changes have effect for new awards of universal credit beginning on or after 24th November 2021 and, for claimants entitled to universal credit on that date, for any assessment period that ends on or after that date.

Regulation 2 provides for the reduction of the taper rate from 63% to 55%. It also provides for a consequential change in relation to the formula for calculating surplus earnings under regulation 54A of the Universal Credit Regulations.

Regulation 3 provides for the increase to the work allowance.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, public or voluntary sectors is foreseen.

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(a) The amounts in the table were substituted by S.I. 2021/162.



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