**Does the recovery for a fine from UC always have to be at the maximum 40% of standard allowance? Discussion document**

Last year, this was raised and I tried to get a definitive answer, but the trail went cold! Recently (Dec17) AY emailed the team about it, so I thought I’d look into the regs etc to see if I could find anything more about it. I’ve done a summary of the issue and my arguments, followed by the regs, guidance and other sources. I’ve also asked the question again on Rightsnet. **What do people think?**

# Summary

It appears the intention in the regs (see the DWP explanatory memorandum in the regs and report to SSAC) was to have a min and max (40% of standard allowance) deduction for fines recovery - as well as other deductions. They said this 40% max was their ‘safeguard’. But this is much higher than in ‘legacy benefits’ I think and sometimes it’s causing problems for people and the question is: **do they always have to take this 40% max amount? Can they reduce it?**

There is in-built protection/limit where (1) there is more than one deduction (so 40% max) or (2) insufficient UC so have to be left with 1p UC but that doesn’t help for those without that and getting the 40% cut.

What follows is first my suggestions then my list of legislation, guidance and other material relating to this. It’s not 100% comprehensive and I may have missed the killer argument or case that means less than the max can be taken but haven’t seen it. I also do my notes in the legislation in green.

## Suggestion 1.

1. **I think the law allows for discretion** because it has words like “may” in it. See my yellow highlights below of the law and guidance.

For example explan’ memorandum:

*“As provided for in Schedule 6 (4), there will be an overall maximum amount that can be deducted, which will be an amount equal to 40% of the claimant’s Universal Credit Standard Allowance.”*

Also see the Fines (Deductions from Income Support) Regulations 1992 (now amended to include refs to UC):

 *“(1B) The amount that may be deducted under paragraph (1A) is any sum which is no less than 5 per cent. of the appropriate universal credit standard allowance for the offender for the assessment period in question under regulation 36 of the UC Regulations* ***but no greater than £108.35.*** *“*

“No greater” implies also “less than/up to”

1. **The regs also talks about**

*“to discharge (in* ***whole or part****) a liability”* and

*“(2) A payment made to a third party in accordance with this Schedule* ***may*** *be made* ***at such intervals as the Secretary of State may direct****. “*

So maybe the intervals can be increased etc

1. **There may be other arguments** e.g. about unjustified discrimination etc that I haven’t gone into. The amount of the personal amount has been frozen.

# Suggestion 2.

The process is that the court applies to the DWP to make to recovery but the fines deductions regs (below) say:

 *‘(2) Before making an application* ***the court*** *shall make an enquiry as to the offender’s* ***means****.’*

The court can also withdraw its application

*“(c)a court withdraws its application for deductions to be made;”*

**“*Withdrawal of applicationE+W+S***

***8 .****A court may withdraw an application at any time by giving notice in writing to the social security office to which the application was sent or delivered.”*

So, perhaps also, if the DWP don’t reduce, they could apply to the court to decide to rescind the application

# Suggestion 3. Can it be challenged?

**1. Legal action think so (see below)**

**2. Fines (Deductions from Income Support) Regulations 1992:**

*“*[***F1***](https://www.legislation.gov.uk/uksi/1992/2182/regulation/9#commentary-M_F_4c4c3ecb-cb46-4836-f5a4-ce349c5aa0b8)***Revision and supersessionE+W+S***

***9.****Any decision of the Secretary of State under regulation 4* [which relates to this 40%] *may be revised under section 9 of the 1998 Act or* **superseded** *under section 10 of that Act as though the decision were made under section 8(1)(c) of that Act.****]***

That means you can ask them to revise

***[***[***F1***](https://www.legislation.gov.uk/uksi/1992/2182/regulation/10#commentary-M_F_78c220f8-15c9-4fff-f80f-05a55e5efd4c)***AppealE+W+S***

***10.****Any decision of the Secretary of State under regulation 4 (whether as originally made or as revised under regulation 9) may be appealed to a tribunal as though the decision were made on an award of a relevant benefit (within the meaning of section 8(3) of the 1998 Act) under section 8(1)(c) of the 1998 Act.****]*** *“*

**That means there’s a right of appeal but it appears DWP think not – see right at end**

# DOCS and background info

**Rightsnet:**

**My latest question on Rightsnet:**

<https://www.rightsnet.org.uk/forums/viewthread/12238/>

**My question to Rightsnet forum: 4.6.17**

<https://www.rightsnet.org.uk/forums/viewthread/9590/>

Someone suggested:

I would contact:

DWP Debt Management contact centre
Telephone: 0345 850 0293
Textphone: 0345 604 6697
Calling from abroad: +44 (0)161 904 1233
Monday to Friday, 8am to 7:30pm
Saturday, 9am to 4pm
Find out about call charges

And see if they can reduce it.

**From another Rightsnet discussion:**

“C tax - recovery rate is fixed at 5%.

Rent arrears - recovery rate is between 10% and 20% - they are taking 20%.

Magistrates court fines - recovery rate is (for <25s) 5%-40% - they are taking 15%.

So yes, there is some room to negotiate which would generally be done by contacting debt management.”

“There was some discussion last year about the hard line DWP were (are?) taking on recovery rates for fraud:
<http://www.rightsnet.org.uk/forums/viewthread/7657>

.. with a link to their 2014 guidance on hardship cases:
<http://www.rightsnet.org.uk/?ACT=39&fid=27&aid=975_7qY7zdlFScGNHXkrEj4Z&board_id=1> “

**But was this about pre UC??**

**Previous correspondence:**

Entry in my spreadsheet:

KM 4.4.16

UC deductions for fines 40% can't be reduced?? Is that right. She'll send me DWP letter and I'll ask Rnet & CD JCP

CPAG UC handbook says can be 'sanctioned' for a fine but can ask for hardship payment, can complain to independent Case Examiner, p.116

ADM D2 says recovery of fine is same as OP recovery SS A Act 92, 2 s 115C(4); s 115D(4) <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/473327/admd1.pdf>

CPAG p. 1209 says its 5% of standard allowance up to max of £108.35. Max is 8 times 5% of standard allowance,

April 2016 Emailed JCP-CD – no reply **20.12.17 emailed Clive again**

**Articles:**

**Legal Action Oct 2016**, seems to indicate the 40% max applies when there’s a number of deductions.

“However, the statutory language makes it clear the DWP has discretion to apply deductions at a lower rate and in the case of third party deductions, claimants have a right to appeal the amount set.”

<http://www.lag.org.uk/media/272857/editorial.pdf>

**FOI doc from DWP:**

<https://www.whatdotheyknow.com/request/414262/response/1009552/attach/4/Deductions.pdf>

There is an overall maximum amount that can be deducted from someone’s Universal Credit. This is the equivalent to 40% of the benefit unit’s Universal Credit Standard Allowance. This limit is set to reduce the risk of claimants facing hardship because of the amount being deducted from their Universal Credit payment.

There are two exceptions to the maximum amount rule:

 where there are deductions for arrears of fuel or water, deductions for on-going normal consumption will also be made but the amount deducted for normal consumption will not count towards the 40% maximum amount

 if a sanction or penalty needs to be applied or an advance needs to be deducted, last resort deductions will continue even if it means the total deductions exceed the 40% maximum amount

There are maximum deduction rates or set deduction rates for each of the individual items that require deductions to be made.

When there is only one deduction required the item’s maximum deduction rate is taken…

**Deductions causing financial hardship**

If a claimant is struggling financially, they can ask for the amount of deduction to be reconsidered on the basis of financial hardship.

Financial hardship decisions are **only** available when deductions amount to more than 10% of the Universal Credit Standard Allowance and are being made for any of the following:

 benefit debt

 a Social Fund loan

 rent arrears

**Fines**

Fines will have a maximum and minimum deduction rate. The maximum amount will be £108.35 per month (equivalent to £25 per week).

The minimum deduction rate will be an amount equivalent to 5% of the benefit unit’s Universal Credit Standard Allowance. If there is insufficient Universal Credit in payment to take the full 5%, nothing will be deducted.

The maximum amount of £108.35 will be reduced pound for pound by any other deductions being made from Universal Credit. This is because the amount deducted for fines must not go above the overall maximum deduction rate of 40% of the benefit unit’s Universal Credit Standard Allowance. This includes any fraud penalties or conditionality sanctions that are being applied, or any advances that are being recovered.

**Legislation:**

**There seems to be two sets of regs:**

**Universal Credit, Personal Independence Payment JSA, ESA (Claims and Payments) Regulations 2013 No.380**

**See** <http://www.legislation.gov.uk/uksi/2013/380/schedule/6> and the Law volumes vol III Page 592

**Direct payment to lender of deductions in respect of interest on secured loansE+W+S**

This section has no associated Explanatory Memorandum

**59.**  Schedule 5 has effect where section 15A(1) of the Administration Act [**F1**](http://www.legislation.gov.uk/uksi/2013/380/regulation/59#commentary-c2167233) (payment out of benefit of sums in respect of mortgage interest etc.) applies in relation to a case where a claimant is entitled to universal credit.

**Deductions which may be made from benefit and paid to third partiesE+W+S**

This section has no associated Explanatory Memorandum

**60.**  Except as provided for in regulation 59 and Schedule 5, deductions may be made from benefit and direct payments may be made to third parties on behalf of a claimant in accordance with the provisions of Schedule 6 and Schedule 7.

Reg 59 not relevant as its about secured loans. Sched 5 is about secured loans.

Schedule 6:

**GeneralE+W+S**

**2.**—(1) The Secretary of State may deduct an amount from a claimant's award of universal credit and pay that amount to a third party in accordance with the following provisions of this Schedule to discharge (in whole or part) a liability of the claimant to that third party.

(2) A payment made to a third party in accordance with this Schedule may be made at such intervals as the Secretary of State may direct.

**Para 3** is about keeping a penny UC and where there’s 3 or more deductions

**Maximum amountE+W+S**

**4.**—(1) Except as provided for in sub-paragraph (4), the Secretary of State may not deduct an amount from a claimant's award of universal credit under a provision mentioned in paragraph 5(2) of this Schedule if, in relation to any assessment period, that would result in the Secretary of State deducting an amount in excess of **[**[**F15**](http://www.legislation.gov.uk/uksi/2013/380/schedule/6#commentary-key-348441558872e1601eabe4bec97f2e83)40%**]** of the standard allowance (“the maximum amount”) from the claimant's award under one or more relevant provisions.

(2) The relevant provisions are—

(e) section 6B of the Social Security Fraud Act 2001 (“the 2001 Act”) [**F17**](http://www.legislation.gov.uk/uksi/2013/380/schedule/6#commentary-c2167278);

**The other regulations are the**

**Fines (Deductions from Income Support) Regulations 1992 (now amended to include refs to UC)**

<https://www.legislation.gov.uk/uksi/1992/2182/regulation/4>

**[**[**F1**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-M_F_e2618577-6dd9-49cd-c5c5-98595c46f4b5)**Application for deductions from income support[**[**F2**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-key-7948c1638d96e8e72c9710bd3880abcb)**, [**[**F3**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-key-90cb3af4093b10cb6f34a5db9361dadd) **universal credit,] state pension credit] or[**[**F4**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-key-70f6d67a5d730b2226a0315ae1da852d)**, jobseeker’s allowance or employment and support allowance]]E+W+S**

**2.**—(1) Where a fine has been imposed on an offender by a court or a sum is required to be paid by a compensation order which has been made against an offender by a court and (in either case) the offender is entitled to income support**[**[**F5**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-M_F_969e820e-1051-408d-9fdf-ecf59f706d58), **[**[**F6**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-key-105f69ccb451268926e88ab4a5eaacfd)universal credit,**]** state pension credit**][**[**F7**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-M_F_ab49bb0b-0e58-41b4-aa97-bdf5052fac3f) or**[**[**F4**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-key-70f6d67a5d730b2226a0315ae1da852d), jobseeker’s allowance or employment and support allowance**]]** the court may, subject to paragraph (2), apply to the Secretary of State asking him to deduct sums from any amounts payable to the offender by way of income support, **[**[**F6**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-key-105f69ccb451268926e88ab4a5eaacfd)universal credit,**]** **[**[**F2**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-key-7948c1638d96e8e72c9710bd3880abcb)state pension credit**]** **[**[**F8**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-M_F_ffc6ebc5-5239-4960-9afb-3b746de508bf)or**[**[**F4**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/2#commentary-key-70f6d67a5d730b2226a0315ae1da852d), jobseeker’s allowance or employment and support allowance**]]** in order to secure the payment of any sum which is or forms part of the fine or compensation.

(2) Before making an application **the court** shall make an enquiry as to the offender’s means.

That’s the court applying but they can decide not to ask and have to take into account the person’s means as part of their decision to apply.

[[**F7**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/4#commentary-key-4271b24296e825aba0f39ac693b9bc57)(1A) Subject to paragraphs (1C) and (1D) and regulation 7, where the Secretary of State receives an application from a court in respect of an offender who is entitled to universal credit, the Secretary of State may deduct from the universal credit payable to the offender **an amount permitted by paragraph (1B)** and pay that amount to the court towards satisfaction of the fine or the sum required to be paid by compensation order.

(1B) The amount that may be deducted under paragraph (1A) is any sum which is no less than 5 per cent. of the appropriate universal credit standard allowance for the offender for the assessment period in question under regulation 36 of the UC Regulations **but no greater than £108.35.** “No greater” implies also “less than/up to”

(1C) No amount may be deducted under paragraph (1A) where it would reduce the amount of universal credit payable to the offender to less than 1 penny.

(1D) For the purpose of paragraph (1B), where 5 per cent. 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.]

So they’re doing a range

(4) The Secretary of State shall cease making deductions from income support**[**[**F3**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/7#commentary-key-a621ef51cfcee24af12ef3250d93dff0), **[**[**F9**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/7#commentary-key-273a3e2b76a033ca5e9f79a881097a7e)universal credit,**]** state pension credit**][**[**F4**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/7#commentary-key-5ee6505fc03bde5a959dcca2f72380b3), jobseeker’s allowance or employment and support allowance**]** if—

(a)there is no longer sufficient entitlement to income support**[**[**F3**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/7#commentary-key-a621ef51cfcee24af12ef3250d93dff0), **[**[**F9**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/7#commentary-key-273a3e2b76a033ca5e9f79a881097a7e)universal credit,**]** state pension credit**][**[**F4**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/7#commentary-key-5ee6505fc03bde5a959dcca2f72380b3), jobseeker’s allowance or employment and support allowance**]** to enable him to make the deduction; I guess that’s if there’s nil UC

(b)entitlement to income support**[**[**F3**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/7#commentary-key-a621ef51cfcee24af12ef3250d93dff0), **[**[**F9**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/7#commentary-key-273a3e2b76a033ca5e9f79a881097a7e)universal credit,**]** state pension credit**][**[**F4**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/7#commentary-key-5ee6505fc03bde5a959dcca2f72380b3), jobseeker’s allowance or employment and support allowance**]** ceases;

(c)a court withdraws its application for deductions to be made; or As above, this shows the court can withdraw its application

(d)the liability to make payment of the fine or under the compensation order as the case may be has ceased.

**[**[**F10**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/7#commentary-M_F_0383147b-0d21-4b98-9293-4a21760e0bcb)(5) The Secretary of State shall not determine any application under regulation 2 which relates to an offender in respect of whom–

(a)he is making deductions; or

(b)deductions fall to be made,

pursuant to an earlier application under that regulation until no deductions pursuant to that earlier application fall to be made.**]**

**Withdrawal of applicationE+W+S**

**8 .**  A court may withdraw an application at any time by giving notice in writing to the social security office to which the application was sent or delivered.

**So could ask the court to withdraw it if causing hardship as it has discretion to take into account “offender’s means” – as above**

**Explanatory memorandum to**

**The universal credit, personal independence payment, Jobseeker’s allowance and employment and support Allowance (claims and payments) regulations 2013 2013 no. 380**

<http://www.legislation.gov.uk/uksi/2013/380/pdfs/uksiem_20130380_en.pdf>

7.43 The Schedule sets out a number of limitations that are intended to protect

claimants from excessive deductions, which could lead to hardship. Deductions must

not reduce a claimant’s Universal Credit to less than 1p, which is the minimum

entitlement amount in Universal Credit, to ensure they can maintain any eligibility for

passported benefits (Schedule 6(3(1a))). In addition, a maximum of three third party

deductions can be taken at any one time (Schedule 6(3(1b))) and each of the

deduction types set out in Schedule 6 will be deducted at an amount equivalent to 5% of the claimant’s Universal Credit Standard Allowance. As provided for in Schedule 6 (4), there will be an overall maximum amount that can be deducted, which will be an amount equal to 40% of the claimant’s Universal Credit Standard Allowance. If all deductions that are required exceed 40%, or there is insufficient Universal Credit in payment, a priority order will be applied, which is provided for in Schedule 6(5).

**So they see the 40% as a protection against hardship and don’t allow any further reductions as they do for other deductions - below**

**Explanatory Memorandum for the Social Security Advisory Committee**

Claims and Payment Regulations for Universal Credit, Personal Independence Payment, Jobseekers Allowance (Contributory) and Employment Support Allowance (Contributory)

For the meeting of the Social Security Advisory Committee on Wednesday 13 June 2012

[http://webarchive.nationalarchives.gov.uk/20130125100934/http:/dwp.gov.uk/docs/uc-pip-claims-payments-draft-regs-2012-memorandum.pdf](http://webarchive.nationalarchives.gov.uk/20130125100934/http%3A/dwp.gov.uk/docs/uc-pip-claims-payments-draft-regs-2012-memorandum.pdf)

**“**To safeguard claimant welfare, the proposal is that deductions (other than for conditionality sanctions, payments on account and fraud penalties) will not amount to more than 40% of a benefit unit’s Universal Credit Standard Allowance unless, in exceptional circumstances, deductions for last resort items (such as rent or utility arrears) will continue to be made in order that people can remain in their homes and receive fuel and water. The 40% maximum will be specified in decision-makers’ guidance and supported by a single priority order set out in the Regulations. We believe that this approach will provide much improved clarity for claimants and decision-makers and strikes the right balance between protecting claimants and taxpayers and ensuring administrative simplicity.”

**Maximum total deductions**

In order to protect claimants, we propose that decision-makers’ guidance will set out that the total maximum amount that can be deducted from a benefit unit’s Universal Credit award, other than for sanctions, payments on account and fraud penalties, will be 40% of the relevant Universal Credit Standard Allowance. However, there will be two exceptions to help protect vulnerable claimants from facing eviction or having utility supplies cut off. Those exceptions are:

If deductions are being made for conditionality or fraud sanctions or for the recovery of payments on account (Short-term Advances and Budgeting Advances), then deductions for arrears of housing costs, rent/service charges for fuel, and arrears for gas, electricity and water supplies will continue to be made as long as a sufficient amount of Universal Credit is in payment. Deductions for current consumption of utilities (mains gas, electricity and water) can be made at the utility company’s request (subject to a maximum total amount, see under *Third party deductions*, above). In these cases, the deduction for current consumption will not count towards the 40% maximum.

#### **Maximum total deductions**

In order to protect claimants, we propose that decision-makers’ guidance will set out that the total maximum amount that can be deducted from a benefit unit’s Universal Credit award, other than for sanctions, payments on account and fraud penalties, will be 40% of the relevant Universal Credit Standard Allowance. However, there will be two exceptions to help protect vulnerable claimants from facing eviction or having utility supplies cut off. Those exceptions are:…

7.43 As provided for in Schedule 6

(4), there will be an overall maximum amount that can be deducted, which will be an

amount equal to 40% of the claimant’s Universal Credit Standard Allowance. If all

deductions that are required exceed 40%, or there is insufficient Universal Credit in

payment, a priority order will be applied, which is provided for in Schedule 6(5).

**Can it be challenged?**

**Fines (Deductions from Income Support) Regulations 1992 *(amended to include UC)*:**

[**F1**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/9#commentary-M_F_4c4c3ecb-cb46-4836-f5a4-ce349c5aa0b8) **Revision and supersessionE+W+S**

**9.**  Any decision of the Secretary of State under regulation 4 [which relates to this 40%] may be revised under section 9 of the 1998 Act or superseded under section 10 of that Act as though the decision were made under section 8(1)(c) of that Act.**]**

That means you can ask them to revise

**[**[**F1**](https://www.legislation.gov.uk/uksi/1992/2182/regulation/10#commentary-M_F_78c220f8-15c9-4fff-f80f-05a55e5efd4c)**AppealE+W+S**

**10.**  Any decision of the Secretary of State under regulation 4 (whether as originally made or as revised under regulation 9) may be appealed to a tribunal as though the decision were made on an award of a relevant benefit (within the meaning of section 8(3) of the 1998 Act) under section 8(1)(c) of the 1998 Act.**]**

**That means there’s a right of appeal**

**Guidance:**

**Chapter D1: Overpayments, Recoverability, Adjustments, Civil Penalties and Recoupment – UC, JSA and ESA**

<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/661502/admd1.pdf>

Recovery of Civil Penalty ............................................................................ D1301

Right of Appeal ............................................................................................ D1302

**Recovery of Civil Penalty**

D1301 A CPen imposed under specified legislation1 is recoverable by the appropriate authority from the person on whom it is imposed2 in the same way as an overpayment.

**Note:** Responsibility for the recovery of a CPen rests with Debt Management.

*1 SS A Act 92, s 115C(2); s 115D(1) & (2); 2 s 115C(4); s 115D(4)*

**Right of appeal**

D1302 The decision to impose a CPen will be made at the same time as the overpayment decision. The amount of the CPen will be added to the amount of the recoverable overpayment. This will produce an outcome decision1 and will give appeal rights to any part of that outcome decision including the overpayment, the CPen or both. There is no right of appeal against the amount of a CPen2. *1 SS Act 98 s 8(1); 2 [2016] AACR 42*

**Chapter D2: Third Party deductions UC, JSA & ESA**

<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/661504/admd2.pdf>

D2001 The guidance in this chapter covers deductions (where appropriate) from

**1.** UC **or**

**5.** Fines (see D2341)

**Third party deductions for fines Introduction**

D2341 A court may, after enquiring into an offender's means, find that an offender is claiming UC, new style JSA or new style ESA. The court may then request deductions for payment of an offender's fines, costs, a compensation order or a confiscation order1. Deductions for fines may be made from

**1.** UC **or**

D2352 Subject to D2353 and D2355, where an application is received from the court in

respect of an offender, the DM may deduct from UC, the relevant sum and pay that

sum to the courts towards satisfaction of the fine, or the sum required to be paid by

compensation order1.

*1 Fines (Deductions from IS) Regs 92, reg 4(1A)* see regs above

D2354 The relevant sum within D2352 means a sum amounting to no less than 5% of the

appropriate UC standard allowance and **no greater than £108.351**. For this purpose,

appropriate UC standard allowance means the appropriate UC standard allowance

under specified legislation2.

*1 Fines (Deductions from IS) Regs 92, reg 4(1C); 2 UC Regs, reg 20* See legislation above

**Exceptions to standard rate deduction**

D2357 The exception to deductions in respect of a fine which equal 5% of the standard

allowance of the claimant’s UC is where

**1.** the maximum deduction rate for fines is being made under D2043 [D2043 The priority order for deductions is1) **17.** (see also D2354) **or**

**2.** the deduction could be a nil amount, if other deductions are being made

which are

**2.1** higher in the priority order **and**

**2.2** those deductions would make the total amount of deductions exceed the 40% maximum rate.

D2358 With reference to D2357, where the maximum deduction rate of £108.35 is being deducted, this amount will be reduced pound for pound, where other deductions are also being taken, so the amount being deducted for the fine does not exceed the overall maximum deduction rate of 40%.

**Can it be appealed?**

**Decisions and determinations that are not appealable**

<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/288043/admanx-e.pdf>

**19.** Deductions of fines except a decision on whether there is sufficient benefit to make a deduction1.

*1 UC, PIP, JSA & ESA (D&A) Regs, Sch 3, para 10; Fines (Deductions from IS) Regs* **BUT SEE ABOVE WHERE IT CAN BE**