

Universal Credit – The Tricky Bits

HO5 Deductions from UC - Priority Order

Conditionality Sanctions and Fraud	<ol style="list-style-type: none"> 1. Fraud penalties (up to 100% of SA) 2. Conditionality sanctions (up to 100%)
Advances	<ol style="list-style-type: none"> 3. Short term Advance (taken out at the time of a new claim or a change of circumstances) max 25% of SA 4. First Month Advance (taken out at the time of transfer from another benefit) max 25% 5. Budgeting Advances max 25%
3 rd Party Deductions: <ul style="list-style-type: none"> • Utility and Rent Arrears • Utility and Rent ongoing charges • Fines at fixed rate 	<ol style="list-style-type: none"> 6. Owner-occupier service charges arrears (at 10% of the standard allowance). 7. Rent and/or service charges arrears (at 10% of the standard allowance). 8. Fuel arrears (gas / electricity). 5% 9. Council Tax or Community Charge arrears. 5% 10. Fines or Compensation Orders (at 5% of the standard allowance) 11. Water charges arrears 5% 12. Child Maintenance 5%
Repayment of loans and hardship payments	<ol style="list-style-type: none"> 13. Social Fund loans 14. Recoverable Hardship Payments
Other benefit penalties and overpayments	<ol style="list-style-type: none"> 15. Housing Benefit and DWP Administrative Penalties 16. Housing Benefit, Tax Credit and DWP Fraud overpayments 17. Housing Benefit and DWP Civil Penalties 18. Housing Benefit, Tax Credit and DWP normal overpayments
Specialist Loan repayments	<ol style="list-style-type: none"> 19. Integration Loan arrears 20. Eligible Loan arrears
3 rd party Deductions: <ul style="list-style-type: none"> • Rent arrears between 10 and 20% • Fines between 5% and £108.35 	<ol style="list-style-type: none"> 21. Rent and / or service charges arrears (maximum deduction rate of up to 20% of the standard allowance) 22. Fines or Compensation Orders (maximum deduction rate)