
STATUTORY INSTRUMENTS

2019 No. 1152

**The Universal Credit (Managed Migration Pilot
and Miscellaneous Amendments) Regulations 2019**

Amendment of the Universal Credit (Transitional Provisions) Regulations 2014: managed migration (including provision for persons previously entitled to a severe disability premium)

3.—(1) The Universal Credit (Transitional Provisions) Regulations 2014 are amended as follows.

(2) In regulation 2 (interpretation)—

(a) in paragraph (1)—

(i) insert at the appropriate places—

““childcare costs element” has the meaning in the Universal Credit Regulations;

“deadline day” has the meaning in regulation 44;

“earned income” has the meaning in Chapter 2 of Part 6 of the Universal Credit Regulations;

“final deadline” has the meaning in regulation 46;

“HMRC” means Her Majesty's Revenue and Customs;

“indicative UC amount” has the meaning in regulation 54;

“migration day” has the meaning in regulation 49;

“migration notice” has the meaning in regulation 44;

“notified person” has the meaning in regulation 44;

“qualifying claim” has the meaning in regulation 48;

“total legacy amount” has the meaning in regulation 53;

“transitional capital disregard” has the meaning in regulation 51;

“transitional element” has the meaning in regulation 52;”, and

(ii) in the definition of “existing benefit”, before “regulation 25(2)” insert “ paragraph (3) and ”;

(b) after paragraph (2) insert—

“(3) In these Regulations—

(a) references to an award of income-based jobseeker's allowance are to an award of old style JSA where the claimant is, or joint claimants are, entitled to the income-based allowance; and

(b) references to an award of income-related employment and support allowance are to an award of old style ESA where the claimant is entitled to the income-related allowance.

(4) In regulation 46 (termination of existing benefits if no claim before the deadline) and regulation 47 (notified persons who claim as a different benefit unit) “terminate” in relation to an award of income-based jobseeker's allowance or income-related employment and

support allowance means treating that award as if the following provisions had come into force (including where a saving provision has ceased to apply) in relation to that award—

- (a) section 33(1)(a) and (b) and (2) of the Act (abolition of benefits);
- (b) paragraphs 22 to 26 of Schedule 3 to the Act (abolition of benefits: consequential amendments) and section 33(3) of the Act in so far as it relates to those paragraphs; and
- (c) the repeals in Part 1 of Schedule 14 to the Act (abolition of benefits superseded by universal credit) that come into force if a claim is made for universal credit.”.

(3) At the end of regulation 4A (restriction on claims for universal credit by persons entitled to a severe disability premium) ^{M1} after the existing provision (which is now paragraph (1)) insert the following paragraph—

“(2) This regulation does not apply in relation to a claim for universal credit by a single claimant who is a notified person or by joint claimants both of whom are notified persons.”.

(4) In regulation 5(2)(a) (exclusion of entitlement to certain benefits) after “8(2A)” insert “ , 46(1) or 47(2) ”.

(5) In regulation 8A (transitional housing payment) ^{M2}—

- (a) after “regulation 8” insert “ , 46 or 47 ”;
- (b) in paragraphs (a) and (b) after “8(2A)” insert “ , 46(1) or 47(2) ”; and
- (c) at the end of paragraph (a) omit “and”, and at the end of paragraph (b) insert—
“; and
(c) if a claim for universal credit is made by a notified person then, notwithstanding anything in the Housing Benefit Regulations 2006 ^{M3}, the weekly amount of housing benefit to which the person is entitled for that period of two weeks is the same as the weekly amount they were entitled to on the first day of that period.”.

(6) In regulation 11(1) for “regulations 7(7) and 8(4)” substitute “ these Regulations ” and after sub-paragraph (b) add the following words—

“and references to an award of a tax credit are to be read accordingly”.

(7) After regulation 43 ^{M4} insert—

“PART 4

MANAGED MIGRATION TO UNIVERSAL CREDIT

The Migration Process

Migration notice

44.—(1) The Secretary of State may, at any time, issue a notice (“a migration notice”) to a person who is entitled to an award of an existing benefit—

- (a) informing the person that all awards of any existing benefits to which they are entitled are to terminate and that they will need to make a claim for universal credit; and
- (b) specifying a day (“the deadline day”) by which a claim for universal credit must be made.

- (2) The migration notice may contain such other information as the Secretary of State considers appropriate.
- (3) The deadline day must not be within the period of three months beginning with the day on which the migration notice is issued.
- (4) If the person who is entitled to an award of an existing benefit is, for the purposes of that award, a member of a couple or a member of a polygamous marriage, the Secretary of State must also issue the migration notice to the other member (or members).
- (5) The Secretary of State may cancel a migration notice issued to any person—
 - (a) if it has been issued in error;
 - (b) if the Secretary of State has made a determination in accordance with regulation 4 (discretion to determine that claims for universal credit may not be made) that would affect a claim by that person; or
 - (c) in any other circumstances where the Secretary State considers it necessary to do so in the interests of the person, or any class of person, or to safeguard the efficient administration of universal credit.
- (6) A “notified person” is a person to whom a migration notice has been issued.

Extension of the deadline day

- 45.**—(1) The Secretary of State may determine that the deadline day should be changed to a later day either—
- (a) on the Secretary of State's own initiative; or
 - (b) if a notified person requests such a change before the deadline day,
- where there is a good reason to do so.
- (2) The Secretary of State must inform the notified person or persons of the new deadline day.

Termination of existing benefits if no claim before the deadline

- 46.**—(1) Where a notified person has not made a claim for universal credit on or before the deadline day, all awards of any existing benefits to which the person is entitled terminate—
- (a) in the case of housing benefit, on the last day of the period of two weeks beginning with the deadline day; and
 - (b) in the case of any other existing benefit, on the day before the deadline day.
- (2) An award of housing benefit to which a claimant is entitled in respect of specified accommodation or temporary accommodation does not terminate by virtue of this regulation.
- (3) Where paragraph (1) applies and the notified person makes a claim for universal credit—
- (a) after the deadline day; and
 - (b) on or before the final deadline specified in paragraph (4),
- then, notwithstanding anything in regulation 26 of the Claims and Payments Regulations (time within which a claim for universal credit is to be made) ^{M5} as modified by regulation 15 of these Regulations, the award is to commence on the deadline day.
- (4) The final deadline is the day that would be the last day of the first assessment period in relation to an award commencing on the deadline day.
- (5) This regulation is subject to regulation 47.

Notified persons who claim as a different benefit unit

47.—(1) This regulation applies where—

- (a) notified persons who were a couple for the purposes of an award of an existing benefit when the migration notice was issued are single persons or members of a different couple for the purposes of a claim for universal credit; or
- (b) notified persons who were members of a polygamous marriage for the purposes of an award of an existing benefit when the migration notice was issued are a couple or single persons for the purposes of a claim for universal credit.

(2) If any of those notified persons makes a claim for universal credit on or before the deadline day then, notwithstanding anything in regulation 8 (termination of awards of certain existing benefits: other claimants), all awards of any existing benefits to which any of those persons is entitled terminate—

- (a) in the case of housing benefit, on the last day of the period of two weeks beginning with the earliest day on which any of those persons is entitled to universal credit in connection with a claim (or, in a case where the person is not entitled to universal credit, on the day they would have been entitled if all the basic and financial conditions had been met); or
- (b) in the case of any other existing benefit, on the day before the “earliest day” referred to in sub-paragraph (a).

(3) If, where paragraph (2) applies—

- (a) a notified person makes a claim for universal credit—
 - (i) on or before the deadline day, or
 - (ii) after the deadline day, but on or before the “final deadline” referred to in regulation 46(4); and
- (b) there would otherwise be a gap between the termination of existing benefits and the commencement of the award,

the award is to commence on the “earliest day” referred to in paragraph (2)(a).

(4) If none of those notified persons makes a claim for universal credit on or before the deadline day, all awards of any existing benefits to which any of them is entitled terminate in accordance with regulation 46(1), and regulation 46(3) applies in relation to any subsequent claim by any of those persons.

(5) An award of housing benefit to which a claimant is entitled in respect of specified accommodation or temporary accommodation does not terminate by virtue of this regulation.

Transitional Protection

Meaning of “qualifying claim”

48. A “qualifying claim” is a claim for universal credit by a single claimant who is a notified person or by joint claimants, both of whom are notified persons, where the claim is made on or before the final deadline (see regulation 46(4)).

Meaning of “migration day”

49. “Migration day”, in relation to a qualifying claim, means the day before the first day on which the claimant is entitled to universal credit in connection with that claim.

Secretary of State to determine whether transitional protection applies

50.—(1) Before making a decision on a qualifying claim the Secretary of State must first determine whether—

- (a) a transitional capital disregard is to apply; or
- (b) a transitional element is to be included,

(or both) in the calculation of the award.

(2) But the Secretary of State is not to determine whether a transitional element is to be included in a case where regulation 47 (notified persons who claim as a different benefit unit) applies.

The transitional capital disregard

51.—(1) A transitional capital disregard is to apply where, on the migration day, the claimant—

- (a) is entitled to an award of a tax credit; and
- (b) has capital exceeding £16,000.

(2) Where a transitional capital disregard applies, any capital exceeding £16,000 is to be disregarded for the purposes of—

- (a) determining whether the financial condition in section 5(1)(a) or 5(2)(a) of the Act (capital limit) is met; and
- (b) calculating the amount of an award of universal credit (including the indicative UC amount).

(3) Where a transitional capital disregard has been applied in the calculation of an award of universal credit but, in any assessment period, the claimant no longer has (or joint claimants no longer have) capital exceeding £16,000, the transitional capital disregard is not to apply in any subsequent assessment period.

(4) A transitional capital disregard is not to apply for more than 12 assessment periods.

The transitional element

52.—(1) A transitional element is to be included in the calculation of an award if the total amount of any awards of existing benefits determined in accordance with regulation 53 (“the total legacy amount”) is greater than the amount of an award of universal credit determined in accordance with regulation 54 (“the indicative UC amount”).

(2) Where a transitional element is to be included in the calculation of an award, the amount of that element is to be treated, for the purposes of section 8 of the Act (calculation of awards), as if it were an additional amount to be included in the maximum amount under section 8(2) before the deduction of income under section 8(3).

The transitional element - total legacy amount

53.—(1) The total legacy amount is the sum of the representative monthly rates of all awards of any existing benefits to which a claimant is, or joint claimants are, entitled on the migration day.

Tax credits

(2) To calculate the representative monthly rate of an award of working tax credit or child tax credit—

- (a) take the figure for the daily rate of the award on the migration day provided by HMRC and calculated on the basis of the information as to the claimant's circumstances held by HMRC on that day; and
 - (b) convert to a monthly figure by multiplying by 365 and dividing by 12.
- (3) For the purposes of paragraph (2)(a) “the daily rate” is—
- (a) in a case where section 13(1) of the 2002 Act applies (relevant income does not exceed the income threshold or the claimant is entitled to a prescribed social security benefit), the maximum rate of each element to which the claimant is entitled on the migration day divided by 365; and
 - (b) in any other case, the rate that would be produced by applying regulations 6 to 9 of the Tax Credits (Income Thresholds and Determination of Rates) Regulations 2002 ^{M6} as if the migration day were a relevant period of one day.
- IS, JSA(IB) and ESA(IR)*
- (4) To calculate the representative monthly rate of an award of income support, income-based jobseeker's allowance or income-related employment and support allowance—
- (a) take the weekly rate on the migration day calculated in accordance with—
 - (i) in the case of income support, Part 7 of the Social Security Contributions and Benefits Act 1992 ^{M7} and the Income Support (General) Regulations 1987 ^{M8},
 - (ii) in the case of income-based jobseeker's allowance, Part 1 of the Jobseekers Act 1995 ^{M9} and the Jobseeker's Allowance Regulations 1996 ^{M10}, or
 - (iii) in the case of income-related employment and support allowance, Part 1 of the 2007 Act, the Employment and Support Allowance Regulations 2008 ^{M11} and the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No.2) Regulations 2010 ^{M12},
 on the basis of the information held by the Secretary of State on that day; and
 - (b) convert to a monthly figure by multiplying by 52 and dividing by 12.
- (5) The amount of an award of income-related employment and support allowance or income-based jobseeker's allowance is to be calculated before any reduction for a sanction.
- (6) Where—
- (a) a claimant who is entitled to income-based jobseeker's allowance is also entitled to contribution-based jobseeker's allowance; or
 - (b) a claimant who is entitled to income-related employment and support allowance is also entitled to a contributory allowance,

then, notwithstanding section 4(8) to (11) of the Jobseekers Act 1995 and section 6(3) to (7) of the 2007 Act (excess over the contributory allowance to be treated as attributable to the income-based, or income-related, allowance) the weekly rate in paragraph (4) is to be calculated as the applicable amount ^{M13} less the claimant's income (if any).

Housing benefit

- (7) To calculate the representative monthly rate of an award of housing benefit—
- (a) take the weekly rate on the migration day calculated in accordance with Part 7 of the Social Security Contributions and Benefits Act 1992 and the Housing Benefit Regulations 2006, on the basis of the information held by the Secretary of State on that day, and convert to a monthly figure by multiplying by 52 and dividing by 12; or
 - (b) in a case where the claimant has rent free periods, calculate the annual rate by multiplying the weekly rate (as above) by the number of weeks in the year in respect of which the claimant is liable to pay rent, and convert to a monthly figure by dividing by 12.

(8) For the purposes of paragraph (7), if the migration day falls in a rent free period, the weekly rate of housing benefit is to be calculated by reference to the amount of rent for the last complete week that was not a rent free period.

(9) In paragraphs (7) and (8) “rent free period” has the meaning in regulation 81 of the Housing Benefit Regulations 2006 ^{M14}.

(10) In a case where regulation 8(3) (continuation of housing benefit in respect of specified accommodation or temporary accommodation) applies, no amount is to be included in the total legacy amount in respect of housing benefit.

The benefit cap

(11) Where—

- (a) the existing benefits do not include an award of housing benefit, or they include an award of housing benefit that has been reduced to the minimum amount by virtue of Part 8A of the Housing Benefit Regulations 2006 ^{M15} (the benefit cap);
- (b) Part 7 of the Universal Credit Regulations (the benefit cap) applies in the calculation of the indicative UC amount; and
- (c) the claimant's total entitlement to welfare benefits (as defined in section 96(10) of the Act) ^{M16} on the migration day is greater than the relevant amount,

the total legacy amount is reduced by the excess (minus the amount for childcare costs referred to regulation 54(2)(b) where applicable) over the relevant amount.

(12) For the purposes of paragraph (11)—

- (a) the amount of each welfare benefit is the monthly equivalent calculated in the manner set out in regulation 73 (unearned income calculated monthly) ^{M17} of the Universal Credit Regulations; and
- (b) the “relevant amount” is the amount referred to in regulation 80A of those Regulations ^{M18} which is applicable to the claimant.

The transitional element - indicative UC amount

54.—(1) The indicative UC amount is the amount to which a claimant would be entitled if an award of universal credit were calculated in accordance with section 8 of the Act by reference to the claimant's circumstances on the migration day, applying the assumptions in paragraph (2).

(2) The assumptions are—

- (a) if the claimant is entitled to an award of child tax credit, the claimant is responsible for any child or qualifying young person in respect of whom the individual element of child tax credit is payable;
- (b) if the claimant is entitled to an award of working tax credit that includes the childcare element, the indicative UC amount includes the childcare costs element and, for the purposes of calculating the amount of that element, the amount of the childcare costs is equal to the relevant weekly childcare charges included in the calculation of the daily rate referred to in regulation 53(2), converted to a monthly amount by multiplying by 52 and dividing by 12;
- (c) the amount of the claimant's earned income is—
 - (i) if the claimant is entitled to an award of a tax credit, the annual amount of any employment income or trading income, as defined by regulation 4 or 6 respectively of the Tax Credits (Definition and Calculation of Income) Regulations 2002 ^{M19}, by reference to which the representative monthly rate of

that tax credit is calculated for the purposes of regulation 53(2) converted to a net monthly amount by—

- (aa) dividing by 12, and
- (bb) deducting such amount for income tax and national insurance contributions as the Secretary of State considers appropriate,
- (ii) if paragraph (i) does not apply and the claimant is entitled to an award of income support, income-based jobseeker's allowance or income-related employment and support allowance, the amount of earnings by reference to which the representative monthly rate of that benefit was calculated for the purposes of regulation 53(4) to (6) (including nil if none were taken into account) converted to a monthly amount by multiplying by 52 and dividing by 12, or
- (iii) if paragraphs (i) and (ii) do not apply, but the claimant had an award of housing benefit, the amount of earnings by reference to which the representative monthly rate of that benefit was calculated for the purposes of regulation 53(7) to (10) (including nil if none were taken into account) converted to a monthly amount by multiplying by 52 and dividing by 12.

(3) If the claimant would not meet the financial condition in section 5(1)(b) of the Act (or, in the case of joint claimants, they would not meet the condition in section 5(2)(b) of the Act) the claimant is to be treated, for the purposes of calculating the indicative UC amount, as if they were entitled to an award of universal credit of a nil amount.

(4) If a transitional capital disregard is to apply, the claimant is to be treated as having met the financial condition in section 5(1)(a) or 5(2)(a) of the Act (capital limit).

(5) The indicative UC amount is to be calculated after any reduction under Part 7 of the Universal Credit Regulations (the benefit cap) but before any reduction under section 26 (higher-level sanctions) or 27 (other sanctions) of the Act.

(6) But there is to be no reduction for the benefit cap under that Part where the amount of the claimant's earned income (or, in the case of a couple their combined earned income) on the migration day, calculated in accordance with paragraph (2)(c), is equal to or exceeds the amount specified in paragraph (1)(a) of regulation 82 (exceptions – earnings)^{M20} of the Universal Credit Regulations.

(7) The calculation of the indicative UC amount is to be based on the information that is used for the purposes of calculating the total legacy amount, supplemented as necessary by such further information or evidence as the Secretary of State requires.

The transitional element – initial amount and adjustment where other elements increase

55.—(1) The initial amount of the transitional element is—

- (a) if the indicative UC amount is greater than nil, the amount by which the total legacy amount exceeds the indicative UC amount; or
 - (b) if the indicative UC amount is nil, the total legacy amount plus any amount by which the income which fell to be deducted in accordance with section 8(3) of the Act exceeded the maximum amount.
- (2) The amount of the transitional element to be included in the calculation of an award is—
- (a) for the first assessment period, the initial amount;
 - (b) for the second assessment period, the initial amount reduced by the sum of any relevant increases in that assessment period;

- (c) for the third and each subsequent assessment period, the amount that was included for the previous assessment period reduced by the sum of any relevant increases (as in sub-paragraph (b)).

(3) If the amount of the transitional element is reduced to nil in any assessment period, a transitional element is not to apply in the calculation of the award for any subsequent assessment period.

(4) A “relevant increase” is an increase in any of the amounts that are included in the maximum amount under sections 9 to 12 of the Act (including any of those amounts that is included for the first time)^{M21}, apart from the childcare costs element.

Ending of transitional protection

Circumstances in which transitional protection ceases

56.—(1) A transitional capital disregard or a transitional element does not apply in any assessment period to which paragraph (2) or (4) applies, or in any subsequent assessment period.

Cessation of employment or sustained drop in earnings

(2) This paragraph applies to an assessment period if the following condition is met—

(a) in the case of a single claimant—

- (i) it is the assessment period after the third consecutive assessment period in which the claimant's earned income is less than the amount specified in regulation 99(6)(a) of the Universal Credit Regulations (“the single administrative threshold”)^{M22}, and
- (ii) in the first assessment period of the award, the claimant's earned income was equal to or more than that threshold; or

(b) in the case of joint claimants—

- (i) it is the assessment period after the third consecutive assessment period in which their combined earned income is less than the amount specified in regulation 99(6)(b) of the Universal Credit Regulations (“the couple administrative threshold”), and
- (ii) in the first assessment period of the award, their combined earned income was equal to or more than that threshold.

(3) For the purposes of paragraph (2) a claimant is to be treated as having earned income that is equal to or more than the single administrative threshold (or, as the case may be, the couple administrative threshold) in any assessment period in respect of which regulation 62 (minimum income floor) of the Universal Credit Regulations applies to that claimant or would apply but for regulation 62(5) of those Regulations (minimum income floor not to apply in a start-up period)^{M23}.

Couple separating or forming

(4) This paragraph applies to an assessment period in which—

- (a) joint claimants cease to be a couple or become members of a different couple; or
- (b) a single claimant becomes a member of a couple, unless it is a case where the person may, by virtue of regulation 3(3) of the Universal Credit Regulations (claimant with an ineligible partner)^{M24}, claim as a single person.

Application of transitional protection to a subsequent award

57.—(1) Where—

- (a) a transitional capital disregard is applied, or a transitional element is included, in the calculation of an award, and that award terminates; or
- (b) the Secretary State determines (in accordance with regulation 50) that a transitional capital disregard is to apply, or a transitional element is to be included in the calculation of an award, but the decision on the qualifying claim is that there is no entitlement to an award,

no transitional capital disregard is to apply and no transitional element is to be included in the calculation of any subsequent award unless paragraph (2) applies.

(2) This paragraph applies if—

- (a) the reason for the previous award terminating or, as the case may be, there being no entitlement to an award, was that the claimant (or joint claimants) had earned income on account of which the financial condition in section 5(1)(b) or 5(2)(b) of the Act (income is such that the amount payable is at least 1p) was not met; and
- (b) the claimant becomes entitled to an award within the period of three months beginning with—
 - (i) where paragraph (1)(a) applies, the last day of the month that would have been the final assessment period of the previous award (had it not terminated), or
 - (ii) where paragraph (1)(b) applies, the day that would have been the last day of the first assessment period had there been entitlement to an award.

(3) Where paragraph (2) applies in a case where a previous award has terminated, the new award is to be treated for the purposes of regulation 51 (transitional capital disregard), 55 (transitional element – initial amount and adjustment where other elements increase) and 56 (circumstances in which transitional protection ceases) as if it were a continuation of that award.

Miscellaneous

Qualifying claim – Secretary of State may set later commencement day

58. Where the Secretary of State decides a qualifying claim, and it is not a case where the award is to commence before the date of claim by virtue of regulation 46(3) or 47(4) (claim made by the final deadline) or regulation 26 of the Claims and Payments Regulations (time within which a claim for universal credit is to be made) as modified by regulation 15 of these Regulations, the Secretary of State may determine a day on which the award of universal credit is to commence that is after, but no more than one month after, the date of claim.

Minimum income floor not to apply for first 12 months

59. Where universal credit is awarded to a claimant who is a notified person, regulation 63 of the Universal Credit Regulations (start-up period) is to apply as if paragraph (1)(a) (requirement that the claimant has begun to carry on the trade, profession or vocation within the past 12 months) were omitted.

Protection for full-time students until course completed

60. Where a notified person does not meet the basic condition in section 4(1)(d) of the Act (not receiving education) on the day on which all awards of any existing benefit are to terminate as a consequence of a claim for universal credit because the person is undertaking a full-time course (see regulation 12(2) and 13 of the Universal Credit Regulations^{M25}), that condition is not to apply in relation to the notified person while they are continuing to undertake that course.

Rounding

61. Regulation 6 of the Universal Credit Regulations (rounding)^{M26} applies for the purposes of calculating any amount under this Part.

Effect of revision, appeal etc. of an award of an existing benefit

62.—(1) Nothing in regulation 53 (total legacy amount) or 54 (indicative UC amount) requiring a calculation in relation to the transitional element to be made on the basis of information held on the migration day prevents the Secretary of State from revising or superseding a decision in relation to a claim for, or an award of, universal credit where—

- (a) in the opinion of the Secretary of State, the information held on that day was inaccurate or incomplete in some material respect because of—
 - (i) a misrepresentation by a claimant,
 - (ii) a failure to report information that a claimant was required to report where that failure was advantageous to the claimant, or
 - (iii) an official error; or
- (b) a decision has been made on or after the migration day on—
 - (i) an application made before migration day to revise or supersede a decision in relation to an award of an existing benefit (including the report of a change of circumstances), or
 - (ii) an appeal in relation to such an application.

(2) In this regulation “official error” means an error that—

- (a) was made by an officer of, or an employee of a body acting on behalf of, the Department for Work and Pensions, HMRC or a local authority that administers housing benefit; and
- (b) was not caused, or materially contributed to, by any person outside that body or outside the Department, HMRC or local authority,

but excludes any error of law which is shown to have been such by a subsequent decision of the Upper Tribunal or of a court as defined in section 27(7) of the Social Security Act 1998^{M27}.

Claimants previously entitled to a severe disability premium

63. Schedule 2 contains provision in respect of certain claimants who have been entitled to a benefit which included a severe disability premium.

Discretionary hardship payments

64. The Secretary of State may, in such circumstances and subject to such conditions as the Secretary of State considers appropriate, make payments to notified persons who appear to be in hardship as a result of the termination of an existing benefit in accordance with these Regulations or otherwise as a result of the provisions of this Part.”.

(8) After the Schedule (which is to become “Schedule 1”) insert—

“SCHEDULE 2

Regulation 63

Claimants previously entitled to a severe disability premium: transitional payments

Determination by Secretary of State

1. Where it comes to the attention of the Secretary of State that—
 - (a) an award of universal credit has been made in respect of a claimant who, within the period of one month immediately preceding the first day on which the claimant became entitled to universal credit as a consequence of making a claim, was entitled to an award of income support, income-based jobseeker's allowance or income-related employment and support allowance that included a severe disability premium;
 - (b) in a case where the award of income support, income-based jobseeker's allowance or income-related employment and support allowance ended during that month, the claimant continued to satisfy the conditions for eligibility for a severe disability premium for the remainder of that month;
 - (c) the award of universal credit has not since terminated (whether by a claimant ceasing to meet the conditions of entitlement to universal credit or becoming, or ceasing to be, a member of a couple);
 - (d) the claimant has not (or, in the case of joint claimants, neither of them has) ceased to be entitled to the care component, the daily living component, armed forces independence payment or attendance allowance (all of which have the same meaning as in paragraph 6 of Schedule 4 to the Employment and Support Allowance Regulations 2008); and
 - (e) no person has become a carer for—
 - (i) in the case of a single claimant, the claimant, or
 - (ii) in the case of joint claimants—
 - (aa) if a severe disability premium was payable at the higher rate, both of them, or
 - (bb) if a severe disability premium was payable at the lower rate, the claimant who was the qualifying partner,

the Secretary of State must determine an additional amount of universal credit (“the transitional SDP amount”) which is to be payable in respect of each assessment period that precedes that determination and then for each subsequent assessment period that begins before the conversion day.

2. The transitional SDP amount, calculated by reference to the date of the determination, is—
 - (a) in the case of a single claimant—
 - (i) £120, if the LCWRA element is included in the award, or
 - (ii) £285, if the LCWRA element is not included in the award;
 - (b) in the case of joint claimants—
 - (i) £405, if the higher SDP rate was payable and no person has since become a carer for either of them,
 - (ii) £120, if paragraph (i) does not apply and the LCWRA element is included in the award in respect of either of them, or

(iii) £285, if paragraph (i) does not apply and the LCWRA element is not included in the award in respect of either of them.

3. The Secretary of State must decide the manner in which the transitional SDP amount is to be paid, which may include payment of a lump sum covering all assessment periods preceding the determination under paragraph 1 and monthly payments thereafter.

4. If the LCWRA element is not included in the award at the time of the determination under paragraph 1, but is included in a later assessment period (and paragraph 2(b)(i) does not apply), the amount for that assessment period, and each subsequent assessment period beginning before the conversion day, is to be £120 (and the Secretary of State must make a further determination).

Conversion to a transitional element

5. In the first assessment period that begins on or after the conversion day, the calculation of the award is to include the amount of the transitional SDP payment as if it were the initial amount of a transitional element calculated under regulation 55(1).

6. In respect of each subsequent assessment period, the award is to be treated, for the purposes of regulation 55(2) (adjustment where other elements increase), regulation 56 (circumstances in which transitional protection ceases) and regulation 57 (application of transitional protection to a subsequent award), as if the transitional SDP payment had been converted into a transitional element.

Capital disregard

7. Any amount paid as a lump sum as a consequence of a determination under this Schedule is to be disregarded in the calculation of capital for 12 months from the date of that payment or, if longer, the remainder of the award.

Interpretation

8. In this Schedule—

“the conversion day” is a day determined by the Secretary of State having regard to the efficient administration of universal credit;

“LCWRA element” has the meaning in the Universal Credit Regulations;

“the lower SDP rate” and “the higher SDP rate” are the rates specified in subparagraph (i) and (ii) respectively of paragraph 11(2)(b) of Schedule 4 to the Employment and Support Allowance Regulations 2008^{M28} or, as the case may be, the corresponding rates of a severe disability premium in relation to income support or income-based jobseeker's allowance;

“the qualifying partner”, in relation to a couple in respect of whom the lower SDP rate was payable, is the partner who had no carer or, as the case may be, had not been a patient for a period exceeding 28 days,

and references to a person being a carer for another person are to the person being entitled to, and in receipt of, a carer's allowance or having an award of universal credit which includes the carer element in respect of caring for that other person.”.

Marginal Citations

M1 Regulation 4A was inserted by S.I. 2019/10.

M2 Regulation 8A was inserted by S.I. 2018/65.

M3 S.I. 2006/213.

M4 Regulation 43 was inserted by S.I. 2017/376.

- M5** Regulation 26 was amended by [S.I. 2014/2887](#).
- M6** [S.I. 2002/2008](#). Relevant amending instruments are [S.I. 2008/796](#), [2011/1035](#), [2012/849](#) and [2015/451](#).
- M7** [1992 c.4](#).
- M8** [S.I. 1987/1967](#).
- M9** [1995 c.18](#).
- M10** [S.I. 1996/207](#).
- M11** [S.I. 2008/794](#).
- M12** [S.I. 2010/1907](#).
- M13** See section 4 of the Jobseekers Act 1995 and section 6 of the 2007 Act for the meaning of “applicable amount”.
- M14** Regulation 81 was substituted by [S.I. 2007/2868](#).
- M15** Part 8A was inserted by [S.I. 2012/2994](#).
- M16** The definition of “welfare benefit” was amended by section 8 of the [Welfare Reform and Work Act 2016 \(c.7\)](#).
- M17** Regulation 73 was amended by [S.I. 2014/2887](#).
- M18** Regulation 80A was inserted by [S.I. 2016/909](#).
- M19** [S.I. 2002/2006](#).
- M20** Regulation 82 was amended by [S.I. 2017/138](#).
- M21** Section 10 was amended by section 14 of the [Welfare Reform and Work Act 2016 \(c.7\)](#).
- M22** Paragraph (6) was substituted by [S.I. 2015/89](#) and then by [S.I. 2015/1754](#).
- M23** Regulation 62 was substituted by [S.I. 2014/2888](#) and amended by [S.I. 2015/345](#) and 1754.
- M24** Regulation 3(3) was amended by [S.I. 2013/630](#).
- M25** Regulation 12(2) was amended by [S.I. 2015/336](#) and regulation 13 was amended by [S.I. 2013/630](#).
- M26** Regulation 6 was amended by [S.I. 2015/1754](#) and [2017/138](#) and 252.
- M27** [1998.c.14](#).
- M28** Paragraph 11 was amended by [S.I. 2018/281](#).

Changes to legislation:

There are currently no known outstanding effects for the The Universal Credit (Managed Migration Pilot and Miscellaneous Amendments) Regulations 2019, Section 3.