



UNIVERSAL CREDIT: MISCELLANEOUS AMENDMENTS

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INTRODUCTION

1. This memo gives guidance on regulations 4 – 7 of the UC (Managed Migration Pilot and Miscellaneous Amendments) Regulations 2019¹. Guidance on the Managed Migration Pilot part of the regulations was issued in July 2019 and can be found in Chapter M7 (Managed migration pilot and Transitional protection).

1 UC (MM Pilot) Regs; SI 2019 No. 1152

2. The regulations

1. introduce a run-on of up to two weeks of IS, JSA(IB) and ESA(IR) for claimants whose awards of those benefits terminate when they claim UC on or after 22.7.20¹ (paragraphs 3 – 13) **and**

2. make changes to the definition of the start-up period from 23.9.20² (paragraphs 14 – 17) **and**



3. remove the SDP gateway from 27.1.21³ (paragraph 18).

1 UC (MM Pilot) Regs, reg 4 & 5; 2 reg 6; 3 reg 7

TWO WEEK RUN-ON OF IS, JSA(IB) AND ESA(IR)

Income support

3. The current guidance at M6120 is that, where an IS claimant is entitled to IS on the date that they claim UC, the IS award terminates on the day before the first date of entitlement to or disallowance of UC¹.

1 UC (TP) Regs, reg 8(2)

4. Where a claim for UC is made on or after 22.7.20, the IS award ends on the last day of the period of up to two weeks beginning with the first date of entitlement to or disallowance of UC, in the same way as for the transitional payment of HB (see M6121)¹.

Note 1: DMs are reminded that claimants remain entitled to IS for the remainder of the benefit week in which they no longer satisfy the conditions of entitlement² – see DMG 20081.

Note 2: See paragraph 13 for where the two week run-on does not apply.

1 UC (TP) Regs, reg 8(2A); 2 IS (Gen) Regs, reg 4ZA(4)

Example

Dan is a lone parent with two children and is entitled to HB, IS and CTC. Dan is notified that his entitlement to IS is due to end on 31.7.20, the last day of the benefit week in which his youngest child reaches age 5. Dan claims and is awarded UC from 29.7.20. His award of CTC ends on 28.7.20, that of IS on 31.7.20, and that of HB on 11.8.20.

5. A claimant is not entitled to IS at any time when they are entitled to UC, unless one of the exceptions in M6011 applies. From 22.7.20, the exceptions include IS where the run-on applies as in paragraph 4¹.

1 UC (TP) Regs, reg 5(2)(ab)

JSA(IB) and ESA(IR)

6. Where a claim for UC is made or treated as made as in M5050, this brings into force the abolition of JSA(IB) and ESA(IR), and the introduction of UC¹ (see



M5300), from the date the claim is made or treated made. The award of JSA(IB) or ESA(IR) terminates from the date the abolition comes into force.

*1 WR Act 12 (Commencement No. 23 etc.) Order, art 3 & 4
[see list in ADM Chapter M5 Appendix 1 for other Orders]*

7. Where a claim for UC is made on or after 22.7.20, the abolition of JSA(IB) and ESA(IR) is **treated** as if it comes into force up to two weeks after the date in paragraph 6¹. This means that, where the claimant continues to satisfy the JSA(IB) or ESA(IR) conditions of entitlement, the award of JSA(IB) or ESA(IR) terminates up to two weeks after the date on which the claim for UC is made or treated as made.

Note: See paragraph 13 for where the run-on does not apply.

1 UC (MM Pilot) Regs, reg 5(1)

Example

David is entitled to ESA(IR) for himself and his partner Frances. Frances is entitled to ESA(Cont) and HB. The couple claim UC on 13.8.20 after moving to a different LA area. David's award of ESA(IR) and Frances's award of HB terminate on 26.8.20, while Frances's award of ESA(Cont) becomes an award of new-style ESA from 13.8.20.

Managed migration

8. The run-on of IS, JSA(IB) and ESA(IR) in paragraphs 4 and 7 applies where awards of those benefits are terminated because¹

1. a claim for UC is made on or after 22.7.20 by

- 1.1 a notified person on or before the deadline day **or**

- 1.2 a notified person who claims as a different benefit unit on or before the deadline day **or**

2. a notified person does not claim UC on or before the deadline day.

Note: See Chapter M7 for detailed guidance on the managed migration process, including the meaning of notified person and deadline day.

1 UC (TP) Regs, reg 8(2A), 46(1) & 47(2)

9. Where¹, as a result of revision, supersession or an appeal, arrears of IS, HB or a TC are awarded to a UC claimant who is a notified person, the awards of IS or HB



terminate as in paragraph 4. The guidance on when awards terminate at M7100 – M7181 applies to any awards of a TC.

Note: This also applies to arrears of JSA(IB) and ESA(IR) due to the date the abolition of those benefits is treated as coming into force – see paragraph 7.

1 UC (TP) Regs, reg 8, 13(3), 46 & 47

Benefit cap

10. Where the run-on of IS, JSA(IB) or ESA(IR) as in paragraphs 4 and 7 applies, any award of those benefits is not included in the list of welfare benefits at E5013 for the purposes of determining the benefit cap¹. See Chapter E5 (Benefit cap) for detailed guidance on when the benefit cap applies.

1 UC Regs, reg 79; UC (TP) Regs, reg 8B(a)

Unearned income

11. Any payments of the run-on of IS, JSA(IB) or ESA(IR) made as in paragraphs 4 and 7 are disregarded as income for the purposes of UC. They are not included in the list of benefits regarded as unearned income¹. They are not treated as included in that list² for the purposes of whether there is an overpayment, as the claimant remains entitled during the run-on period (see M6130).

Note: But see paragraph 12 where a UC claimant becomes entitled to new style JSA or new style ESA when an award of JSA(IB) or ESA(IR) terminates. See M5021 for the meaning of new style JSA and new style ESA.

1 UC Regs, reg 66(1)(b); UC (TP) Regs, reg 10

12. Where a UC claimant becomes entitled to an award of new style JSA or new style ESA on the termination of an award of JSA(IB) or ESA(IR) as in paragraph 7, the claimant is treated as if they were entitled to new style JSA or new style ESA from the first day of entitlement to UC for the purposes of calculating unearned income¹.

1 UC Regs, reg 73; UC (TP) Regs, reg 8B(b)

Example

Ranjan is entitled to HB and ESA. Her award of ESA is made up of ESA(Cont) of £74.35 personal allowance and £39.20 support component, as well as ESA(IR) of £17.10 EDP. Ranjan moves to another LA area and claims UC from 3.8.20. Her ESA(IR) amount of £17.10 weekly continues until 16.8.20 and is disregarded for the purposes of her entitlement to UC. Her ESA(Cont) award of £113.55 becomes



new style ESA from 17.8.20 However, for the purposes of calculating the UC award, she is treated as having new style ESA as unearned income from 3.8.20.

When does the two week run-on not apply

13. The run-on of IS, JSA(IB) or ESA(IR) in paragraphs 4 and 7 does not apply to a claim for UC which is treated as made by joint claimants, one of whom was previously entitled to UC where that award ended on formation of the couple, and the other of whom was not entitled to UC as a single claimant¹.

1 UC (TP) Regs, reg 8(1); UC (MM Pilot) Regs, reg 5(3); UC, PIP, JSA & ESA (D&A) Regs, reg 9(8)

MINIMUM INCOME FLOOR AND START-UP PERIOD

14. This section should be read with Memo ADM Memo 04/20 which gives guidance on temporary discretionary measures which apply to self-employed claimants¹.

1 SS (Coronavirus) (Further Measures) Regs, reg 2

15. Guidance on the start-up period for self-employed claimants, during which the minimum income floor does not apply, is at H4100 – H4103¹.

1 UC Regs, reg 63

16. From 23.9.20, the guidance at H4100 is **replaced** with the following:

A start-up period is a period of 12 months. It applies from the beginning of the assessment period in which the Secretary of State determines that a claimant is, for the purposes of UC, in gainful self-employment where

- 1.** the minimum income floor has not previously applied to the claimant (either in the current or any previous award of UC) for the trade, profession or vocation which is now their main employment **and**
- 2.** the claimant is taking active steps to increase their S/E earnings to the level of their individual threshold¹.

Note 1: the start-up period begins from the beginning of the assessment period from which the DM determines that the claimant satisfies all the relevant conditions to be found gainfully self-employed. This is **not** necessarily the same as the date that the DM makes that determination (i.e. where evidence gathering means the decision is made in a later assessment period).



Note 2: a start-up period **cannot** be applied for any period before UC is claimed but see example 2 at **H4102** where there is a short break and re-claim **within** the start-up period.

1 UC Regs, reg 63(1)

17. From 23.9.20 the provision about when the start-up period begins for UC claimants who are notified persons is revoked¹. The guidance at M7250 is **cancelled** and should no longer be followed. The guidance at paragraph 16 applies instead.

1 UC (MM Pilot) Regs, reg 6(2); UC(TP) Regs, reg 59

THE SDP GATEWAY

18. Chapter M5 (Claims for UC - digital service area) gives guidance on when claims for UC may not be made, including claims from people entitled to the SDP. From 27.1.21 the SDP Gateway provisions are revoked¹. The guidance at M5210 – M5231 is **cancelled** and should no longer be followed.

1 UC (MM Pilot) Regs, reg 7; UC(TP) Regs, reg 4A

ANNOTATIONS

Please annotate the number of this memo (Memo ADM 15/20) against the following ADM paragraphs and memos:

E5013, H4100, M5300, M5210 heading, M6010, M6120, M6121, M6172, M7120, M7125, M7181, M7250, Memo ADM 04/20.

CONTACTS

If you have any queries about this memo, please write to Decision Making and Appeals (DMA) Leeds, 3E zone E, Quarry House, Leeds. Existing arrangements for such referrals should be followed, as set out in Memo [7/19](#) Requesting case guidance from DMA Leeds for all benefits.

DMA Leeds: July 2020

The content of the examples in this document (including use of imagery) is for illustrative purposes only