

11-21: Conversion of Transitional SDP Amount

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Introduction

1. This memo gives guidance on changes to the UC transitional SDP amount¹ which took effect from 8.10.20.

Note: In this memo, references to the UC (TP) Regs are to the law as in force before 27.1.21, when the transitional SDP amount was replaced by the transitional SDP element (see paragraph 2).

1 UC (TP) Regs, reg 63 & Sch 2

2. DMs should note that the transitional SDP amount may be included in awards of UC which began before 27.1.21¹. For awards which begin on or after 27.1.21, the transitional SDP element may be included instead. See [Memo ADM 1/21](#) for details.

1 UC (TP) (SDP) Amdt Regs, reg 3

Background

3. Detailed guidance on the transitional SDP amount, which may be included in awards of UC paid to claimants who were previously entitled to an award of IS, JSA(IB) or ESA(IR) which included the SDP¹, is at See [M6710 - M6772](#).

1 UC (TP) Regs, reg 63 & Sch 2

4. [M6755](#) explains that, from the first assessment period which begins after the conversion day, the

transitional SDP amount is treated as a transitional element of UC¹. The conversion day is determined by the Secretary of State² – see [M6718](#). [M6755](#) Note 1. states that at present no conversion date has been set.

1 UC (TP) Regs, Sch 2 para 5; 2 para 8

Conversion of transitional Sdp amount

5. On 21.9.20 the Secretary of State determined that the conversion day is

1. 8.10.20 for awards of UC where the payment of the transitional SDP amount was determined on or before that date **or**

2. in any other case, the date on which that payment was determined.

First assessment period

6. From the beginning of the first assessment period after the conversion day in paragraph 5, the transitional SDP amount is treated as if it were an initial amount of a transitional element included in the UC award as part of the managed migration process¹. This means that it is not subject to any reduction or termination as in subsequent assessment periods.

Note: The transitional SDP amount will always terminate in any assessment period where an award of UC ends on formation or separation of a couple² (see [M7540 – M7541](#)).

1 UC (TP) Regs, reg 55(1) & Sch 2 para 5; reg 56(1) & (4)

Second and subsequent assessment periods

7. For subsequent assessment periods, the transitional SDP amount is treated as if it had been converted to a transitional element included in the UC award as part of the managed migration process¹. The transitional SDP amount awarded as in paragraph 6 is therefore subject to reduction and termination in the same way as the transitional element². It can also be included in subsequent UC awards where the conditions are satisfied³.

1 UC (TP) Regs, Sch 2 para 6; 2 reg 55(2) & 56; 3 reg 57

8. Detailed guidance on

1. reduction of the transitional element is at [M7500 – M7511](#)

2. termination of the transitional element is at [M7530 – M7541](#)

3. subsequent awards of the transitional element is at [M7560 – M7562](#).

9. DMs are reminded that for the purpose of calculating a reduction of the transitional element, temporary modifications to the UC standard allowance¹ are ignored for the purpose of whether there has been a relevant increase. [See Memo ADM 4/20](#) for further details.

¹ SS (Coronavirus) (Further Measures) Regs, reg 3(1); UC (Extension of Coronavirus Measures) Regs, reg

2

Examples

Example 1

Sarah is entitled to PIP including the standard rate of the daily living component, as well as ESA(IR) and HB including the SDP. On 16.4.19 she moves to a different LA area and claims UC from the same date. The DM determines on 11.8.19 that Sarah's UC award should include the transitional SDP amount from 16.4.19. The payment is treated as a transitional element from 16.10.20.

Sarah was working for 15 hours a week when she claimed UC, and her earned income was more than the single administrative threshold. Her employment ended on 31.12.20, and for the assessment periods beginning on 16.12.20, 16.1.21 and 16.2.21 her earnings were less than the single administrative threshold. The transitional element is no longer included in Sarah's award from the assessment period beginning on 16.3.21.

Example 2

Reuben is entitled to PIP including the standard rate of the daily living component, as well as IS including the SDP, and CA. He is a carer for a non-dependent relative, but his caring role ends when the relative moves to a residential care home. Reuben claims UC on 29.10.20, and his award includes the transitional SDP amount of £285, which is treated as a transitional element from the outset of the UC award.

Reuben's rent increases from £490 to £520 a month from 4.1.21. His housing costs increase by £30 from the assessment period beginning on 29.12.20, and the transitional element reduces to £255 from the same date.

Example 3

Lateefa is entitled to PIP including the enhanced rate of the daily living component, and is also entitled to UC including the transitional SDP amount, with the assessment period beginning on the 15th of the month. Lateefa has LCWRA, and has no housing costs. Her UC award from 15.4.20 is

£323.22 standard allowance (modified to £409.89 due to Coronavirus measures)

£341.92 LCWRA element

£120 transitional SDP amount

Total: £785.14 (modified to £871.81).

From 15.4.21 the award includes

£324.84 standard allowance (modified to £411.51 due to Coronavirus measures)

£343.63 LCWRA element

£116.67 transitional element

Total: £785.14 (modified to £871.18).

The transitional SDP amount is treated as a transitional element from 15.10.20, and is reduced by £3.37, the amount by which Lateefa's award increased due to uprating. The modified amount of the standard allowance is not used in the calculation of the reduction.

Annotations

Please annotate the number of this memo (Memo ADM 11/21) against the following ADM paragraphs and memos:

[M6710](#) main heading, [M6755](#); Memos see [Memo ADM 4/20](#) and see [Memo ADM 1/21](#).

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 2021

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