ADM Chapter M6: Effects of transition to UC – Digital service area

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Introduction

M6001 This Chapter gives guidance on the effect on

1. entitlement to and
2. claims for and
3. termination of

awards of existing benefits for claimants who are entitled to UC in the digital service area (formerly known as Full Service). See ADM Chapter M5 (Claims for UC – Digital service area) for guidance on the meaning of digital service area.

Note: Since 12.12.18, all postcodes in GB are in the digital service area. See ADM Chapter M5 (Claims for UC - Digital service area) for further details.

M6002 Guidance is also included on other effects of transition to UC for claimants in the digital service area, for example where they are entitled to an existing benefit and deductions or sanctions are in place.

Meaning of existing benefit

M6003 Existing benefit means

1. JSA(IB)
2. ESA(IR)
3. IS
4. HB
5. CTC
6. WTC.

1 UC (TP) Regs, reg 2(1); 2 JS Act 95; 3 WR Act 07, Part 1; 4 SS CB Act 92, s 124; 5 s 130; 6 TC Act 02
Exclusion of entitlement to specified benefits M6010 - M6013

[See Memo ADM 28/20]

M6010 [See Memo ADM 15/20] Unless M6011 applies a claimant is not entitled to

1. IS¹ or
2. HB² or
3. CTC³ or
4. WTC⁴ or
5. SPC⁵

at any time when they are entitled to UC⁶.

1 SS CB Act 92, s 124; 2 s 130; 3 TC Act 02, s 1(1)(a); 4 s 1(1)(b); 5 SPC Act 02, s 1; 6 UC (TP) Regs, reg 5(1)

M6011 M6010 does not apply

1. where HB is paid for
   1.1 specified accommodation¹ or
   1.2 temporary accommodation² or
   1.3 a period of two weeks beginning with the first day of UC entitlement³ (see M6014) or

2. during the first assessment period for UC where the claimant is a new claimant partner and there is entitlement to⁴
   2.1 IS where their award ends⁵ after the first day of entitlement to UC or
   2.2 HB where
      2.2.a the new claimant partner leaves the accommodation for which HB was paid in order to live with a UC claimant with whom they are treated as making a joint claim⁶ and
      2.2.b their award ends after the first day of entitlement to UC or
   2.3 TC where their award ends⁷ after the first day of entitlement to UC.
Note: See ADM Chapter M5 (Claims for UC – Digital service area) for the meaning of new claimant partner and ADM Chapter F2 (Housing costs element) for the meaning of specified accommodation and temporary accommodation.

1 UC (TP) Regs, reg 5(2)(a); 2 UC Regs, Sch 1, para 3B; 3 UC (TP) Regs, reg 8(2A); 4 reg 5(2)(b); 5 reg 7(4); 6 reg 7(5)(b); 7 TC Act 02

M6012 The guidance at M6010 also applies to old style ESA and JSA. See ADM Chapter M5 (Claims for UC – Digital service area) for guidance on the meaning of old style ESA and JSA. See ADM Chapters V8 (ESA transition) and S8 (JSA transition) for guidance on when a former UC claimant may make a claim for old style ESA or JSA.

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

M6013 Where a new claimant partner is entitled to any of the benefits at M6010 - M6012, see M6101 et seq for detailed guidance on the consequences.
M6014 Where in any assessment period a UC claimant is entitled to an award of

1. UC which does not include an amount for housing costs and

2. HB for temporary accommodation

the amount of the work allowance for that assessment period is to apply as if the award of UC included an amount for housing costs\(^1\).

**Note:** See E2200 – E2205 for guidance on the work allowance.

1 UC (TP) Regs, reg 5A; UC Regs, reg 22(2)

M6015 - M6019
Claims for IS, HB, CTC & WTC M6020 - M6099

UC claim not required: claims from members of a couple M6025

Date of claim M6026 - M6028

IS M6029 - M6039

HB M6040 - M6044

CTC and WTC M6045 M6099

See Memo ADM 28/20

M6020 A UC claimant may not make a claim for

1. IS or

2. HB or

3. CTC or

4. WTC

See M6022 for when this applies, and M6023 for exceptions.

1 UC (TP) Regs, reg 6(1)

M6021 The guidance at M6020 also applies to old style ESA and JSA. See ADM Chapter M5 (Claims for UC – Digital service area) for guidance on the meaning of old style ESA and JSA. See ADM Chapters V8 and S8 for guidance on when a former UC claimant may make a claim for old style ESA or JSA.

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

M6022 The guidance at M6020 applies

1. when a UC claimant takes any action resulting in a decision being required and

2. unless M6023 applies, even if a claim for the benefit is made or treated as made at a time when the claimant was not a UC claimant.

1 UC (TP) Regs, reg 6(3)(a) & 6(4); SS (C&P) Regs; HB Regs; HB (SPC) Regs; TC (C&N) Regs; 2 UC (TP) Regs, reg 6(3)(b)

M6023 A UC claimant is not precluded from
1. making a claim for IS\(^1\) (including claims from people for whom a requirement to take part in a WFI is a condition for claiming – see DMG Chapters 02 and 05 for further details) where

   **1.1** a notice of intention to claim had previously been given or a defective claim had been received\(^2\) and

   **1.2** entitlement will begin before they become entitled to UC or

2. making a claim for HB\(^3\) where

   **2.1** a notice of intention to claim\(^4\) had previously been given and

   **2.2** entitlement will begin before they become entitled to UC or

3. correcting or completing a defective claim for HB\(^5\) where

   **3.1** the defective claim\(^6\) was made before the date of the UC claim and

   **3.2** entitlement will begin before they become entitled to UC or

4. making a claim for HB in respect of specified accommodation or temporary accommodation\(^7\) or

5. making a claim for a TC which they are treated as having made\(^8\) (see M6110 and M6140).

**Note:** See M6101 et seq where the claimant is a new claimant partner.

\(^1\) UC (TP) Regs, reg 6(5); 2 SS A Act 92, s 2A(1)(a); SS (C&P) Regs, reg 6(1A)(c) or 6A; 3 UC (TP) Regs; reg 6(6);
\(^4\) HB Regs, reg 83(5)(d); HB (SPC) Regs, reg 64(6)(d); 5 UC (TP) Regs, reg 6(7); 6 HB Regs, HB (SPC) Regs; 7 UC (TP) Regs, reg 6(8); 8 reg 6(9)

**Example**

Laura is a lone parent with a child aged 3. She phones the DWP on 3.7.16 to make a claim for IS after losing her job. She is unable to answer all the questions over the phone, and the claim form is sent to her to complete. She returns this on 8.8.16.

In the meantime Laura joins her partner Greg on 27.7.16. Greg has been entitled to UC since 20.6.16, and his award as a single claimant ends on 19.7.16. Greg and Laura are entitled to UC as joint claimants from 20.7.16. Laura is entitled to claim IS for the period 3.7.16 - 19.7.16.

**M6024** For the purposes of M6020, a person is a UC claimant if

**1.** they are entitled to UC\(^1\) or
2. a decision has not been made on a claim for UC and they have not been informed that they are not entitled to claim UC \(^2\) or

3. they are treated as having made a claim for UC but a decision has not been made \(^3\) or

4. a decision has been made that they are not entitled to UC and
   4.1 the DM is considering whether to revise that decision or
   4.2 they have appealed against that decision and the appeal has not been finally determined \(^4\).

\(^1\) UC (TP) Regs, reg 6(2)(a); 2 reg 6(2)(b); WR Act 12 Commencement Orders;
\(^2\) UC (TP) Regs, reg 6(2)(d); UC, PIP, JSA & ESA (C&P) Regs;
\(^3\) UC (TP) Regs, reg 6(2)(e), SS Act 98, s 9 & 12

**UC claim not required: claims from members of a couple**

M6025 A person is a UC claimant \(^1\) where

1. they may be entitled to UC without being required to make a claim following termination of
   1.1 an award of UC to joint claimants on
   1.2 awards to single claimants are terminated when they form a couple who are joint claimants \(^4\) and
   1.1.a the separation of the couple \(^2\) or
   1.1.b the death of one member of a couple \(^3\) or

2. no decision has yet been made as to the person’s entitlement to UC.

**Note:** See ADM Chapter A2 (Claims) for guidance on when claims are not required.

\(^1\) UC (TP) Regs, reg 6(2)(ca); 2 UC, PIP, JSA & ESA (C&P) Regs, reg 9(6); 3 reg 9(10); 4 reg 9(7)

**Date of claim**

M6026 In order to decide whether M6022 or M6023 applies, the date on which a claim is made or treated as made should first be determined in the normal way \(^1\). See DMG Chapter 02 for detailed guidance on the date of claim for IS. See [HB guidance](#) for guidance on the date of the claim for HB. A claim for a TC is made or treated as made on the date it is received by a relevant authority at an appropriate office, or in accordance with the normal rules. See [TC guidance](#) for further details.
In M6026, relevant authority means:

1. the Board, that is the Commissioners for HMRC or
2. DWP or
3. the Department for Communities in Northern Ireland or
4. a person providing TC services to the bodies in 1. - 3.

In M6026, appropriate office means:

1. Comben House, Farriers Way, Netherton, Merseyside or
2. any other office specified in writing by the Board.

IS

Unless M6023 applies, a claim for IS may not be made as in M6022 where:

1. a properly completed claim is received, or made by telephone, within one month of first notification of intention to claim and
2. it is treated as made on the date of the notification of intention to claim.

Note: A defective claim is treated as a notification of intention to claim on the date that it is received.

See DMG Chapter 02 for detailed guidance.

A claim for IS may not be made as in M6022 where the time for claiming is extended for a period of up to:

1. one month or
2. three months

in specified circumstances, for example due to disruption of postal services, or where the claimant was given information which led them to believe that a claim for IS would not succeed. See DMG Chapter 02
Example

Holly is a lone parent with a child aged 2, and has learning difficulties. She lives with her parents. Her job in a sheltered workshop ends on 3.7.15 when it closes. On 25.9.15 Holly joins her partner Marcus, who has been entitled to UC since 24.6.15. Marcus’s award of UC as a single claimant terminates on 23.9.15, and Holly and Marcus are entitled to UC as joint claimants from 24.9.15.

On 25.9.15 Holly also claims IS for the period from 4.7.15 - 23.9.15. She explains that due to her learning difficulties she had good cause for not making the claim on 4.7.15. Holly is not entitled to claim IS for the period 4.7.15 - 23.9.15, and is notified that no decision will be made on the IS claim.

M6031 A claim for IS may not be made as in M6022 where

1. a previous claim for IS has been disallowed because a qualifying benefit has not been awarded and

2. an award of a qualifying benefit is later made and

3. a further claim for IS is treated as made on

   3.1 the date of the original IS claim or

   3.2 the date of the award of the qualifying benefit

whichever is later¹.

See DMG Chapter 02 for detailed guidance.

M6032 A claim for IS may not be made as in M6022 where

1. an award of IS has been terminated and

2. an award of a qualifying benefit is later made and

3. a further claim for IS is treated as made on

   3.1 the date the original IS award was terminated or

   3.2 the date of the award of the qualifying benefit

whichever is later¹.
Note: See DMG Chapter 02 for detailed guidance.

M6033 A claim for IS may not be made as in M6022 where

1. a claim for WTC is disallowed and

2. a claim for IS is treated as made on
   2.1 the date of the WTC claim or
   2.2 a later date where requested by the claimant.

Note: See DMG Chapter 02 for detailed guidance.

M6034 - M6039

HB

M6040 A claim for HB may not be made as in M6022 where

1. the claimant or their partner is entitled to IS, JSA(IB), ESA(IR) or SPC and

2. the claim for HB is made within one month of the date of claim for the benefit in 1. and

3. the HB claim is treated as made on the first day of entitlement to the benefit in 1.

Note: See HB guidance for detailed guidance.

M6041 A claim for HB may not be made as in M6022 where

1. the claimant or their partner is entitled to IS, JSA(IB), ESA(IR) or SPC and

2. the claimant or their partner becomes liable for housing payments and

3. a claim for HB is made within one month of the date the liability arose and

4. the HB claim is treated as made on the date the liability arose.

Note: See HB guidance for detailed guidance.
M6042 A claim for HB may not be made as in M6022 where

1. the claimant is the former partner of a HB claimant who has died or left the household and
2. the HB claim is made within one month of the death or separation and
3. the HB claim is treated as made on that date¹.

Note: See HB guidance for detailed guidance.

1 HB Regs, reg 83(5)(c); HB (SPC) Regs, reg 64(6)(c)

M6043 Unless M6023 applies, a claim for HB may not be made as in M6022 where

1. a properly completed claim is received, or made by telephone, within one month of first notification of intention to claim and
2. it is treated as made on the date of the notification of intention to claim¹.

Note: See HB guidance for detailed guidance.

1 HB Regs, reg 83(5)(d); HB (SPC) Regs, reg 64(6)(d)

M6044 A claim for HB may not be made as in M6022 where

1. the claimant requests that a claim for HB includes a period before the date of claim and
2. the claimant had good cause for not making the claim earlier and
3. the HB claim is treated as made on an earlier date¹.

Note: See HB guidance for detailed guidance.

1 HB Regs, reg 83(12)

CTC and WTC

M6045 Claims for a TC may not be made as in M6022 where the claim is treated as made up to 31 days before the claim is received¹. See TC guidance for detailed guidance.

1 TC (C&N) Regs, reg 7

M6046 A claim for WTC may not be made as in M6022 where

1. an award of WTC including the disability element is made and
2. the claim in 1. is made within 31 days of the date that a claim for a specified benefit is allowed and

3. the claimant would have been entitled to WTC for an earlier period and

4. the WTC is treated as made on an earlier date.

Note: See TC guidance for detailed guidance, including the specified benefits required to make an award of the disability element of WTC.

1 TC (C&N) Regs, reg 8

M6047 A claim for a TC may not be made as in M6022 where

1. the claimant makes or is treated as making a declaration following a final notice for a current award and

2. the declaration or deemed declaration is treated as a claim for a subsequent tax year.

Note: See TC guidance for detailed guidance.

1 TC (C&N) Regs, reg 11(3) & 12(6)

M6048 - M6099
Termination of awards of existing benefits M6100 - M6139

Meaning of the relevant period M6100

New claimant partner M6101 - M6109

Treated as claiming and entitled to a TC M6110 - M6119

Other claimants M6120 - M6124

Benefit cap M6125 - M6129

Overpayments M6130 - M6139

Meaning of the relevant period

M6100 In this section the relevant period means the period

1. starting with the first day of the assessment period during which a UC claimant and a new claimant partner form a couple and
2. ending on the date of formation of the couple¹.

¹ UC (TP) Regs, reg 7(3)

New claimant partner

M6101 Where

1. an award of UC to a claimant is terminated because they have become a member of a couple and
2. the other member of the couple was not previously entitled to UC (i.e. they are a new claimant partner) and
3. the couple is treated as having made a claim for UC¹ and
4. the DM is satisfied that the claimants meet the UC basic conditions of entitlement (other than the acceptance of a claimant commitment)²

all awards of IS or HB to which the new claimant partner was entitled, during the relevant period, end³ as in M6102.

Note: See M6103 - M6104 for exceptions.
The awards as in M6101 end

1. on the day before the first date of UC entitlement as joint claimants or

2. on the day before what would have been the first day of entitlement if they had satisfied the conditions of entitlement or

3. where an award of IS or HB is made to a new claimant partner after what becomes the first day of entitlement to UC, on the first day of entitlement to the award of IS or HB.

Note 1: See M6110 et seq for further guidance where the new claimant partner is treated as having claimed a TC.

Note 2: See M6170 et seq for guidance where the new claimant partner has an on-going appeal about an existing benefit.

Example

Wayne is entitled to IS as a lone parent following his partner’s death. He is also entitled to CTC and HB. On 17.11.15 he is joined by his new partner Gwyneth, who has been entitled to UC as a single claimant since 10.7.15. Wayne and Gwyneth are entitled to UC as joint claimants from 10.11.15.

Wayne’s awards of IS, CTC and HB terminate on 9.11.15.

New claimant partner formerly member of a couple

M6103 Where, during the relevant period, a new claimant partner was a member of a couple and their IS award included an amount for their partner, the IS award terminates on the date they stopped being a couple unless

1. it terminates on that date for another reason or

2. it terminated on an earlier date.

New claimant partner entitled to HB

M6104 The existing award does not terminate as in M6102 where

1. it is HB paid for specified accommodation or temporary accommodation or
2. the new claimant partner leaves the accommodation for which HB was paid in order to live with the person at M6101. 

See ADM Chapter F2 (Housing costs element) for the meaning of specified accommodation and temporary accommodation. See Chapter M5 (Claims for UC – Digital service area) for guidance on the meaning of existing benefit and ADM Chapter E1 (Introduction and entitlement) for guidance on the UC basic conditions of entitlement.

1 UC (TP) Regs, reg 7(5)

M6105 - M6109

**Treated as claiming and entitled to a TC**

M6110 Where, immediately before forming a couple with a UC claimant, the new claimant partner is treated as entitled to a TC as in M6140 et seq, they are treated as having made a claim for a TC for the current tax year.

1 UC (TP) Regs, reg 7(1) & 11

M6111 Where a claimant is treated as making a claim for a TC as in M6110, any award made terminates on the day before the first day of UC entitlement or on the day before what would have been the first day of entitlement if they had satisfied the conditions of entitlement.

1 UC (TP) Regs, reg 8(4)

M6112 - M6119

**Other claimants**

**IS or TC**

M6120 [See Memo ADM 15/20] Where

1. a claim for UC is made (other than one which is treated as made) and

2. the DM is satisfied that the claimants meet the UC basic conditions of entitlement (other than the acceptance of a claimant commitment)

all awards of IS or a TC made to the claimant end on the day before the first day of UC entitlement or on the day before what would have been the first day of entitlement if they had satisfied the conditions of
entitlement\(^3\). See M6003 for guidance on the meaning of existing benefit and ADM Chapter E1 (Introduction and entitlement) for guidance on the UC basic conditions of entitlement.

1 UC, PIP, JSA & ESA (C&P) Regs, reg 9(8); 2 WR Act 12, s 4(1)(a) – (d); 3 UC (TP) Regs, reg 8(1) & (2)

### HB – transitional housing payment

M6121 [See Memo ADM 15/20] Where

1. a claim for UC is made (other than one which is treated as made\(^1\)) and
2. the DM is satisfied that the claimant meets the UC basic conditions of entitlement (other than the acceptance of a claimant commitment)\(^2\)

an award of HB to which a UC claimant is entitled on the day on which an award of IS or a TC would terminate as in M6111 or M6120 ends on the last day of the two weeks beginning with the day after that day\(^3\).

**Note 1:** This applies whether or not the UC claimant is also entitled to IS or a TC.

**Note 2:** The award does not end where it is HB paid for specified accommodation or temporary accommodation\(^4\).

Example 1

Nicola is entitled to IS and HB as a lone parent. Her daughter Jessica reaches age 5 on 15.5.18, and Nicola claims UC from that date. Nicola’s award of IS ends on 14.5.18, the day before her award of UC begins. Her award of HB ends on 28.5.18.

Example 2

Andy is entitled to HB and works in a local shop. His job ends on 8.6.18 when the shop closes, and he is paid one week’s wages in lieu of notice. Andy claims and is awarded UC from 11.6.18. His award of HB remains in payment up to and including 24.6.18.

M6122 Where a transitional housing payment is made as in M6121, for the purposes of HB the claimant is treated as entitled to UC for the period of the payment, even if no decision has been made on the UC claim\(^1\).

1 UC (TP) Regs, reg 8A(a)
Where

1. a transitional housing payment is made as in M6121 and
2. the claim for UC is made because the claimant moves to a new home in a different LA

HB is paid directly to the claimant for the period of the transitional housing payment.\(^1\)

1 UC (TP) Regs, reg 8A(b)

**Benefit cap**

Where a claimant, who is a new claimant partner or who has been awarded UC for a period for which the prescribed time for claiming has been extended,\(^1\) is entitled to

1. a welfare benefit\(^2\) (other than UC) for all or part of the first UC assessment period \(\text{and} \)
2. HB at any time during the first UC assessment period, or would be so entitled

those welfare benefits are ignored for the purpose of the BC.\(^3\) This prevents the BC being applied twice if it has already been applied to HB. See ADM Chapter A2 (Claims) for guidance on when the prescribed time for claiming UC can be extended and ADM Chapter E5 (Benefit cap) for guidance on welfare benefits.

1 UC, PIP, JSA & ESA (C&P) Regs, reg 26; 2 WR Act 12, s 96(1); 3 UC (TP) Regs, reg 9

**Overpayments**

Where

1. an award of UC is made to a claimant previously entitled to an existing award (other than a TC or a joint-claim JSA) \(\text{and} \)
2. there has been a payment of the existing benefit (“the overpayment”) in a period

   2.1 during which the claimant is not entitled to that benefit \(\text{and} \)
   2.2 which is in a UC assessment period\(^1\)

the overpayment is taken into account as unearned income\(^2\) for UC purposes. The amount of the overpayment is taken into account in each assessment period for the period for which it is paid.
However, the normal rules for calculating unearned income do not apply\(^3\). See ADM Chapter H5 (Unearned income) for full guidance on unearned income.

**Note:** Any amount of an overpayment taken into account as unearned income is not to be recovered as an overpayment under the normal rules for the existing benefit\(^4\) (see DMG Chapter 09).

\(^1\) UC (TP) Regs, reg 10(1); \(^2\) reg 10(2)(a); UC Regs, reg 66; \(^3\) UP (TP) Regs, reg 10(2)(b); UC Regs, reg 73; \(^4\) UC (TP) Regs, reg 10(4); Social Security (Payments on account, Overpayment and Recovery) Regulations 1988; HB Regs; HB (SPC) Regs

**Example**

Keir is entitled to JSA(IB) and lives with his parents. He moves in with his partner Ellen on 15.9.17, and he reports this when he attends the Jobcentre on 19.9.17. Ellen has been entitled to UC as a single claimant since 16.1.17. Keir and Ellen are entitled to UC as joint claimants from 16.8.17.

Keir receives two weeks’ payment of JSA(IB) for the period ending 22.8.17 on 24.8.17, another payment for the period 23.8.17 – 5.9.17 on 7.9.17, and a final payment for the period 6.9.17 – 19.9.17 on 21.9.17. Keir is not entitled to JSA(IB) from 16.8.17, the first day of UC entitlement. JSA(IB) for the period 16.8.17 – 15.9.17 is taken into account as unearned income for the assessment period ending on 15.9.17, and JSA(IB) for the period 16.9.17 – 19.9.17 is taken into account as unearned income for the assessment period ending on 15.10.17.

M6131 - M4139
Treated as entitled to a TC M6140 - M6159

Introduction

M6140 The guidance at M6145 et seq applies for the purpose of considering whether a person is treated as having made a claim for a TC for the current tax year¹ (see M6110).

Note: Decisions relating to TC entitlement for the purposes of new claimant partners will continue to be made by HMRC. The following guidance is for information only.

Meaning of tax year

M6141 Tax year means the period

1. beginning on 6 April in one year and

2. ending on 5 April in the following year¹.

Meaning of final notice

M6142 Where a claim for a TC is made, an initial decision is made as to whether an award should be made¹. If an award is made, the Board (see M6027 1.) notifies the claimant or claimants that

1. they are required to

   1.1 declare that their circumstances are as specified or

   1.2 state where their circumstances are not as specified by a specified date or

2. they are treated as having made a declaration as in 1.1 unless they state otherwise by a specified date².

This is known as a final notice. After the date specified in the final notice, a decision on entitlement for
the tax year for which the award was made is given\(^3\).

1 TC Act 02, s 14; 2 s 17; 3 s 18

M6143 - M6144

**When is a person treated as entitled to a TC**

M6145 A person is treated as entitled to a TC from the beginning of the current tax year even though a decision has not been made on a claim for that year if

1. the person was entitled to a TC for the previous tax year **and**

2. any of the cases in M6146 - M6149 apply\(^1\).

1 UC (TP) Regs, reg 11(1); TC Act 02, s 14

**Case 1**

M6146 Case 1 is where a final notice has not been given to the person in respect of the previous tax year\(^1\).

1 UC (TP) Regs, reg 11(2)(a); TC Act 02, s 17

**Case 2**

M6147 Case 2 is where\(^1\) a final notice has been issued **and**

1. the date or later of the dates specified in the notice has not been reached and no claim for CTC or WTC has been made or treated as made\(^2\) **or**

2. a claim for CTC or WTC has been made or treated as made before the date or later of the dates specified in the notice, but no initial award has been made on that claim\(^3\).

1 UC (TP) Regs, reg 11(2)(b); TC Act 02, s 17(2), (4) & (6); 2 s 17(2) & (4); 3 s 14(1)

**Case 3**

M6148 Case 3 is where\(^1\)

1. a final notice has been given **and**

2. no claim for CTC or WTC for the current tax year has been made or treated as made **and**

3. no decision on entitlement for the previous tax year has been made\(^2\).
Case 4

M6149 Case 4 is where

1. a final notice has been given and

2. the person made a declaration as in M6142

   2.1 by the specified date or

   2.2 if not as in 2.1, within 30 days of notification that payment of TC had ceased because of a failure to make the declaration by the specified date or

   2.3 if not as in 2.1 or 2.2, by 31 January in the tax year following the period to which the final notice relates and in the opinion of HMRC the claimant had good reason for not making the declaration as in 2.1 or 2.2.

1 UC (TP) Regs, reg 11(2)(ca); 2 TC Act 02, s 17(2)(a), (4)(a) or (6)(a); 3 s 24(4)

Case 5

M6150 Case 5 is where

1. a final notice has been given and

2. the person did not make a declaration by the specified date as in M6142

   2.1 and

3. they were notified that payment of TC had ceased because of the failure and

4. during the period of 30 days starting with the date on the notice in 3. is given

   4.1 the claim for UC is made or

   4.2 in the case of a new claimant partner, notification of the formation of a couple is given.

1 UC (TP) Regs, reg 11(2)(d); 2 TC Act 02, s 17(2)(a), (4)(a) or (6)(a); 3 s 24(4)
M6160 Where

1. a claim for UC is made or treated as made and

2. the claimant is, or was at any time during the tax year in which the claim is made of treated as made, entitled to a TC and

3. the DM is satisfied that the claimants meets the UC basic conditions of entitlement (other than the acceptance of a claimant commitment) and the TC legislation is modified. See TC guidance for further details.

1 UC (TP) Regs, reg 12(1); 2 WR Act 12, s 4(1)(a) – (d); 3 UC (TP) Regs, reg 12 (2) – (6); TC Act 02
Finalisation of TC awards M6165 - M6169

M6165 Where

1. a claim for UC is made or treated as made and
2. the claimant
   2.1 is entitled to a TC or
   2.2 was entitled to a TC during the tax year in which the UC claim was made or treated as made and
3. the Secretary of State is satisfied that the claimant meets the basic conditions apart from the claimant commitment - see E1013 1. - 4. (but see E2015 - E2021 for exceptions for joint claimants)

the amount of TC to which the claimant is entitled is calculated by HMRC in accordance with modified legislation which allows a TC award to be finalised before the end of the tax year.

1 UC (TP) Regs, reg 12A(1); 2 WR Act 12, s 4(1)(a) – (d); 3 s 4(1)(e); 4 UC Regs, reg 3;
5 UC (TP) Regs, reg 12A(2) & Sch

M6166 M6165 does not apply if, in the opinion of HMRC, it is not practicable to apply the modified legislation, for example due to unforeseen difficulties. In these cases the normal end of year finalisation of the TC award proceeds as usual.

1 UC (TP) Regs, reg 12A(3)
On-going reconsideration and appeals – new claimant partner M6170 - M6174

Existing benefits M6170 - M6173

UC M6174

Existing benefits

M6170 See M6171 - M6173 for the action to take where, after a claimant has been awarded UC\(^1\)

1. an appeal against a decision relating to the claimant’s entitlement to IS, HB or a TC is finally determined or

2. a decision relating to the claimant’s entitlement to

   2.1 IS or HB is revised\(^2\) or superseded\(^3\)

   2.2 a TC is revised\(^4\) or

   2.3 a TC is varied or cancelled\(^5\).

\(^1\) UC (TP) Regs, reg 13(1); \(^2\) SS Act 98, s 9; Child Support, Pensions and Social Security Act 2000, Sch 7;
\(^3\) SS Act 98, s 10; Child Support, Pensions and Social Security Act 2000, Sch 7;
\(^4\) TC Act 02, s 20; Tax Credit (Official Error) Regulations 2003; \(^5\) TC Act 02, s 21

M6171 Where the claimant

1. is a new claimant partner and

2. would, as a result of the determination of the appeal, revision or supersession, be entitled to IS or HB in the relevant period (see M6100)

the awards of IS or HB terminate as in M6101 - M6104\(^1\).

\(^1\) UC (TP) Regs, reg 7 & 13(2)

M6172 [See Memo ADM 15/20] Where the claimant

1. is not a new claimant partner and

2. would, as a result of the determination of the
be entitled to IS, HB or a TC on the day the UC claim was made

2.1 appeal

2.2 revision

2.3 supersession

2.4 variation or

2.5 cancellation

the awards of IS, HB or a TC terminate as in M6111 or M61201.

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

M6173 The DM should consider whether to revise the decision awarding UC or any subsequent supersession decision in the light of the outcome of the

1. appeal

2. revision

3. supersession

4. variation or

5. cancellation

as in M6170, including any findings of fact made by the FtT, UT or court1.

Note: See ADM Chapters S8 (JSA transition) and V8 (ESA transition) where the appeal, revision or supersession is about old style JSA or old style ESA.

1 UC (TP) Regs, reg 13(4) & (5)

UC

M6174 Where

1. a decision is made that a claimant is not entitled to UC and

2. the claimant becomes entitled to IS, HB or a TC and

3. an appeal against the decision in 1. is finally determined or it is revised1 and
4. an award of UC is made in consequence of 3. and

5. the claimant would be entitled to

5.1 UC and

5.2 IS, HB or a TC

for the same period

awards of IS, HB or a TC terminate at the beginning of first day of entitlement to that award. However, this does not apply to HB to which the claimant is entitled for specified accommodation or temporary accommodation or to a transitional housing payment.

Note: The guidance at M6130 applies where there has been an overpayment.

1 SS Act 98, s 9; 2 UC (TP) Regs, reg 14(1) & (2); 3 reg 14(3)
M6175 Where a claim for UC is made by a person previously entitled to an existing benefit, the rules for the prescribed time for claiming\textsuperscript{1} are modified\textsuperscript{2}. That modification means the time limit for claiming UC is to be extended, subject to a maximum of one month to the date on which the claim is made, where

\begin{enumerate}
\item notification of the expiry of entitlement to the existing benefit was not sent to the claimant before the date their entitlement expired \textbf{and}
\item as a result the claimant could not have been expected to make the UC claim earlier\textsuperscript{3}.
\end{enumerate}

\textbf{Note:} See M6003 for guidance on the meaning of existing benefits and ADM Chapter A2 (Claims) for full guidance on the prescribed time for claiming.

\textsuperscript{1} UC, PIP, JSA & ESA (C&P) Regs, reg 26; \textsuperscript{2} UC (TP) Regs, reg 15; \textsuperscript{3} UC, PIP, JSA & ESA (C&P) Regs, reg 26(3)(aa)
M6176 Where a person has been appointed to act for a claimant for the purposes of an existing benefit\(^1\), the Secretary of State may treat that person as having been appointed to act for the claimant for UC purposes\(^2\). The reverse also applies\(^3\). See DMG Chapter 02 for guidance on people appointed to act for the purpose of an existing benefit and ADM Chapter A2 (Claims) for guidance on people appointed to act for the purpose of UC.

\(^1\) SS (C&P) Regs, reg 33(1); TC (C&N) Regs, reg 18(3); \(^2\) UC (TP) Regs, reg 16(1) & (2); UC, PIP, JSA & ESA (C&P) Regs, reg 57(1); \(^3\) UC (TP) Regs, reg 16(3) & (4)
Advance payment of UC M6180 - M6184

M6180 Where a claim has been made, and the circumstances in M6182 apply, a request for an advance payment of UC may be made during the first assessment period by

1. a single claimant or

2. both claimants jointly\(^1\).

\[1 \text{ UC (TP) Regs, reg 17(1) & (2)}\]

M6181 If a request as in M6180 is made, the DM may make an advance payment of an appropriate amount of UC\(^1\). If an advance payment is made, payments of UC are reduced until the amount of the advance has been repaid\(^2\).

\[1 \text{ UC (TP) Regs, reg 17(3); 2 reg 17(4)}\]

M6182 An advance payment of UC may be made as in M6181 where

1. a claim for UC has been made and

2. the claimant is, or was previously, entitled to an existing benefit and

3. the UC claim is made within a period of one month starting with the date on which the award of the existing benefit terminated, if that was before the date of the UC claim\(^1\).

**Note:** 1. does not apply where a claim for UC is treated as having been made\(^2\).

\[1 \text{ UC (TP) Regs, reg 17(1); 2 UC, PIP, JSA & ESA (C&P) Regs, reg 9(8)}\]

M6183 - M6184
Deductions M6185 - M6186

M6185 Where

1. an award of UC is made to a claimant who
   
   1.1 was previously entitled to JSA(IB), ESA(IR) or IS on the date the UC claim was made or treated as made or

   1.2 is a new claimant partner who was, immediately before forming a couple with a person entitled to UC, the partner of a person entitled to JSA(IB), ESA(IR) or IS or

   1.3 is not a new claimant partner and was, immediately before making a claim for UC, the partner of a person who was entitled to JSA(IB), ESA(IR) or IS, where the award of UC is not a joint award to the claimant and that person and

2. on the relevant date, deductions were being made for
   
   2.1 fuel costs or

   2.2 water charges or

   2.3 both

Deductions for fuel costs or water charges may continue to be made from the award of UC without the need for any consent. This applies even if the award of JSA(IB), ESA(IR) or IS terminated before the date on which the deduction first applied. See ADM Chapter D2 (Third party deductions) for detailed guidance on utility deductions.

Note: See M6186 for the meaning of the relevant date.

Example

Ashley is entitled to JSA(IB). He has deductions in place for arrears of gas, electricity and water charges. His award of JSA(IB) is terminated when he is joined by his partner Selma, who is entitled to UC. Ashley and Selma’s award of UC as joint claimants continues to have amounts deducted for fuel and water charges.
M6186 For the purposes of M6185, the relevant date is

1. the date the UC claim was made where M6185 1.1 applies and the claimant is not a new claimant partner or

2. the date the UC claim is treated as made where M4125 1.1 applies and the claimant is a new claimant partner or

3. the date the claimant stopped being a partner of a person entitled to ESA(IB), ESA(IR) or IS where M6185 1.2 or 1.3 apply.

1 UC (TP) Regs, reg 18(2)
Removal of WRAC and LCW element M6187 - M6189

From 3.4.17 the WRAC is no longer included in an award of ESA, and the LCW element is no longer included in an award of UC, for claims made on or after that date. Where a UC award is made to a claimant who was entitled to

1. old style ESA (see M6190 – M6202) or

2. JSA extended period of sickness (see M6210) or

3. NI credits only on the basis that they had LCW (see M6220 – M6232)

on the date the UC claim was made, references to awards of the WRAC, the support component and the LCW element are removed, and replaced with references to the claimant having, or being treated as having, LCW or LCWRA as appropriate.

Example

Molly claims and is awarded old style ESA from 5.4.17. The DM determines that she has LCW after application of the WCA, but as her claim was made after 3.4.17, she is not entitled to the WRAC. Molly is also entitled to HB. On 20.7.17, Molly moves to a Full Service area and claims UC, as she is precluded from claiming HB. Molly’s awards of ESA and HB terminate. Molly is treated as having LCW for the purposes of work-related requirements, but her UC award does not include the LCW element.

The removal of the WRAC and the LCW element does not apply where continuous entitlement to old style ESA and NI credits began before 3.4.17. See the Appendix to Chapter V6 (ESA: Assessment phase and component), and the Appendix to Chapter F5 (LCWRA element), for where transitional provisions apply.

The removal of the WRAC and the LCW element also does not apply where an award of UC is made to a person entitled to B, IS, SDA and NI credits on the basis of IfW. See M6240 – M6262 for detailed guidance.
Introduction M6190

Meaning of relevant date M6191

Claimant entitled to ESA – assessment phase has ended M6192 - M6199

Claimant entitled to ESA – assessment phase has not ended M6200 - M6209

Introduction

M6190 This section gives guidance on the effect on entitlement to UC for claimants who were previously entitled to old style ESA. The claimant may be treated as having LCW or LCWRA, and may be entitled to the LCWRA element. If they are treated as having LCW or LCWRA, then the normal UC rules for further referrals for the WCA apply. See ADM Chapter G1 (Work capability assessment) for further details.

1 UC (TP) Regs, reg 19(7); UC Regs, Part 5

Meaning of relevant date

M6191 In this section, the relevant date is the date the claim for UC was made or treated as made.

1 UC (TP) Regs, reg 19(1)(a) & 20(1)(a)

Claimant entitled to ESA – assessment phase has ended

Claimant has LCW

M6192 Where

1. an award of UC is made to a claimant who was entitled to old style ESA on the relevant date (see M6191) and

2. before the relevant date, it had been determined that the claimant had LCW and

3. the assessment phase had ended

the claimant is treated as having LCW without the need for the WCA.

1 UC (TP) Regs, reg 19(1)(a) & 20(1)(a)
Claimant has LCWRA

M6195 Where

1. an award of UC is made to a claimant who was entitled to old style ESA on the relevant date (see M6191) and

2. before the relevant date, it had been determined that the claimant had, or was treated as having, LCWRA\(^1\) and

3. the assessment phase had ended

the claimant is treated as having LCWRA without the need for the WCA\(^2\).

Note: See M6200 - M6202 for guidance where the assessment phase had not ended when ESA was terminated. See DMG Chapter 42 for guidance on ESA and LCW, and Chapter 44 for guidance on when the assessment phase ends.

1 WR Act 07, Part 1; 2 UC (TP) Regs, reg 19(1) & (4); WR Act 12, s 19(2)(a); UC Regs, reg 27(1)(b) & (3)

M6196 Where M6195 applies, the LCWRA element is normally included in the amount of UC award to the claimant from the beginning of the first assessment period\(^1\). The guidance about the relevant period before which the element is not included in the UC award\(^2\) in ADM Chapter F5 (LCWRA element) does not apply.

1 UC (TP) Regs, reg 19(5); 2 UC Regs, reg 28

Example 1

Fergal has been entitled to UC since 6.8.15. He is joined on 15.10.15 by his partner Donna, who is entitled to ESA(Cont) and (IR), including the support component. The ESA(IR) part of Donna’s award is terminated on 5.10.15, the day before Fergal and Donna’s award of UC as joint claimants begins. The UC includes the LCWRA element from 6.10.15. Donna remains entitled to new style ESA.

Example 2

Tamsin claims UC on 2.7.15 after being dismissed from her job. Soon after she becomes pregnant, and is
diagnosed with severe hyperemesis gravidarum and high blood pressure early on in the pregnancy. She requires hospital treatment for dehydration on several occasions, and submits medical evidence. Tamsin is referred for the WCA, and the HCP advises that the condition is likely to continue throughout the pregnancy given the stage she has now reached, with a consequent risk to her health. Tamsin is treated as having LCWRA, and the LCWRA element is included in her UC award from 2.11.15.

Tamsin is joined by her partner Noel on 17.11.15. Noel is entitled to ESA(IR) including the support component. Noel’s award of ESA(IR) is terminated on 1.11.15. Tamsin and Noel are entitled to UC as joint claimants from 2.11.15. Although both claimants have LCWRA, only one LCWRA element can be included in the UC award.

M6197 - M6199

Claimant entitled to ESA – assessment phase has not ended

Assessment phase less than 13 weeks

M6200 Where

1. an award of UC is made to a claimant who was entitled to old style ESA on the relevant date (see M6191) and

2. on the relevant date, the assessment phase\(^1\) had lasted for less than 13 weeks

the guidance in ADM Chapter F5 (LCWRA element) about the length of the relevant period (during which the LCWRA element cannot be included in a UC award), and when it begins, does not apply\(^2\). Instead, the relevant period is 13 weeks, beginning with the first day of the ESA assessment phase\(^3\). However, where the ESA assessment phase had not ended on a previous claim\(^4\), the relevant period ends when the total period of old style ESA and UC is 13 weeks.

**Note:** If on application of the WCA it is determined that the claimant has LCWRA, the LCWRA element should be included in the UC award from the first day of the assessment period after the one in which the relevant period ends\(^5\).

\(^1\) WR Act 07, s 24(2); UC (TP) Regs, reg 19(8); \(^2\) reg 20(1) & 2(a); \(^3\) reg 20(2)(b); \(^4\) ESA Regs 08, reg 5; \(^5\) UC Regs, reg 28(1); UC, PIP, JSA & ESA (D&A) Regs, reg 35(9)(a)

Example

Olumide claimed and was awarded ESA(IR) from 19.4.14. On 25.7.14 he is joined by his partner Ayo, who has been entitled to UC since 15.6.14. Olumide’s award of ESA(IR) terminates on 14.7.14, and he and Ayo are entitled to UC as joint claimants from 15.7.14. The DM determines that Olumide has LCWRA. The relevant period began on 19.4.14, and ends on 18.7.14. The LCWRA element is included in the UC award from 15.8.14.
Assessment phase more than 13 weeks

M6201 Where

1. an award of UC is made to a claimant who was entitled to old style ESA on the relevant date (see M6191) and

2. on the relevant date, the assessment phase\(^1\) had

   2.1 not ended and

   2.2 lasted for more than 13 weeks

the guidance in ADM Chapter F5 (LCWRA element) about the relevant period (during which the LCWRA element cannot be included in a UC award) does not apply\(^2\).

1 WR Act 07, s 24(2); UC (TP) Regs, reg 19(8); 2 reg 20(1) & (3)(a)

M6202 If on application of the WCA it is determined that the new claimant partner has LCWRA, the LCWRA element as appropriate is included in the UC award from the beginning of the first assessment period\(^1\).

1 UC (TP) Regs, reg 20(3)(b) & (c)

Example

Carly claimed and was awarded ESA(IR) from 21.1.15. On 15.7.15 she joins her partner Warren, who has been entitled to UC since 7.5.15. Carly’s award of ESA(IR) ends on 6.7.15, and she and Warren are entitled to UC as joint claimants from 7.7.15.

On 17.9.15 after application of the WCA, the DM determines that Carly has LCWRA. The UC award is revised to include the LCWRA element from 7.7.15. The decision awarding ESA(IR) is superseded to award the support component for the period 22.4.15 - 6.7.15.

M6203 - M6209
Extended period of sickness

M6210 Where

1. the claimant’s first day of entitlement to UC immediately follows the claimant’s last day of entitlement to JSA and

2. immediately before the first day of UC entitlement, the claimant was in a JSA extended period of sickness

the guidance in ADM Chapter F5 (LCWRA element) about the length of the relevant period (during which the LCWRA element cannot be included in a UC award) does not apply. Instead, the relevant period is the period beginning with the first day of the JSA extended period of sickness.

1 UC (TP) Regs 14, reg 20A(1) & (2)(a); JSA Regs, reg 55ZA; JSA Regs 13, reg 46A:

2 UC (TP) Regs 14, reg 20A(2)(b)
Claimants with LCW - credits only cases M6220 - M6239

Introduction M6220

Definitions M6221 - M6222

Claimant would have been entitled to ESA M6223 - M6229

Claimant not entitled to ESA – notional assessment phase has not ended M6230 M6239

Introduction

M6220 This section gives guidance on the effect on entitlement to UC for claimants who were previously not entitled to old style ESA but were entitled to NI credits. The claimant may be treated as having LCW or LCWRA, and may be entitled to the LCWRA element. If they are treated as having LCW or LCWRA, then the normal UC rules for further referrals for the WCA apply. See ADM Chapter G1 (Work capability assessment) for further details.

Note: This applies even if, if there are joint claimants, the other joint claimant was entitled to old style ESA.

1 UC (TP) Regs, reg 21(1)(b); 2 reg 21(1)(a); SS (Credits) Regs, reg 8B(2)(iv), (iva) & (v); 3 UC (TP) Regs, reg 21(8); UC Regs, Part 5; 4 UC (TP) Regs, reg 21(1)(b)

Definitions

Meaning of relevant date

M6221 In this section the relevant date is the date the claim for UC was made or treated as made.

1 UC (TP) Regs, reg 21(1)(a)

Meaning of notional assessment phase

M6222 The notional assessment phase is the period of 13 weeks starting on the day the assessment phase would have started if the claimant had been entitled to old style ESA and the claimant would have been entitled to a component because it had ended. However, the notional assessment phase has not ended if there had been no determination of LCW at the end of that 13 week period.

1 WR Act 07, s 2(2)(a), 2(3)(a), 4(4)(a) & 4(5)(a); 2 UC (TP) Regs, reg 21(9)(e)
Claimant would have been entitled to ESA

Claimant would have LCW

M6223 Where

1. an award of UC is made to a claimant who was not entitled to old style ESA on the relevant date (see M6221) and

2. before the relevant date, it had been determined that the claimant would have LCW and

3. the notional assessment phase had ended

the claimant is treated as having LCW without the need for the WCA¹.

Note: See M6227 for guidance where the notional assessment phase had not ended when ESA was terminated. See DMG Chapter 42 for guidance on ESA and LCW, and Chapter 44 for guidance on when the assessment phase ends.

1 UC (TP) Regs, reg 21(1) & (2); WR Act 12, s 21(1)(a); UC Regs, reg 27(1)(a) & (3)

M6224

Claimant would have LCWRA

M6225 Where

1. an award of UC is made to a claimant who was not entitled to old style ESA on the relevant date (see M6221) and

2. before the relevant date, it had been determined that the claimant would have LCWRA and

3. the notional assessment phase had ended

the claimant is treated as having LCW without the need for the WCA¹.

Note: See M6230 - M6232 for guidance where the notional assessment phase had not ended when ESA was terminated. See DMG Chapter 42 for guidance on ESA and LCW, and Chapter 44 for guidance on when the assessment phase ends.

1 UC (TP) Regs, reg 21(1) & (4); WR Act 12, s 19(2)(a); UC Regs, reg 27(1)(b) & (3)

M6226 Where M6225 applies, the LCWRA element is normally included in the amount of UC award to the claimant from the beginning of the first assessment period¹. The guidance about the relevant period
before which the element is not included in the UC award\(^2\) in ADM Chapter F5 (LCWRA element) does not apply.

1 UC (TP) Regs, reg 21(5); 2 UC Regs, reg 28

M6227 - M6229

**Claimant not entitled to ESA – notional assessment phase has not ended**

**Notional assessment phase less than 13 weeks**

M6230 Where

1. an award of UC is made to a claimant who was not entitled to old style ESA on the relevant date (see M6221) and

2. on the relevant date, the notional assessment phase\(^1\) had lasted for less than 13 weeks

the guidance in ADM Chapter F5 (LCWRA element) about the length of the relevant period (during which the LCWRA element cannot be included in a UC award), and when it begins, does not apply\(^2\). Instead, the relevant period is 13 weeks, beginning with the first day of the ESA notional assessment phase\(^3\).

**Note:** If on application of the WCA it is determined that the claimant has LCWRA, the LCWRA element should be included in the UC award from the first day of the assessment period after the one in which the relevant period ends\(^4\).

1 WR Act 07, s 24(2); UC (TP) Regs, reg 19(8); 2 reg 21(1) & (6)(a); 3 reg 21(6)(b); 4 UC Regs, reg 28(1); UC, PIP, JSA & ESA (D&A) Regs, reg 35(9)(a)

**Notional assessment phase more than 13 weeks**

M6231 Where

1. an award of UC is made to a claimant who was not entitled to old style ESA on the relevant date (see M6221) and

2. on the relevant date, the notional assessment phase\(^1\) had

   2.1 not ended and

   2.2 lasted for more than 13 weeks

the guidance in ADM Chapter F5 (LCWRA element) about the relevant period (during which the LCWRA element cannot be included in a UC award) does not apply\(^2\).
M6232 If on application of the WCA it is determined that the claimant has LCWRA, the LCWRA element is included in the UC award from the beginning of the first assessment period\(^1\).

\(^1\) UC (TP) Regs, reg 21(7)(b) & (c)

M6233 - M6239
Claimants with IfW – credits only cases M6240 - M6249

Claimants approaching pensionable age M6240 - M6244

Other claimants M6245 - M6249

Claimants approaching pensionable age

M6240 Where

1. an award of UC is made to a claimant who is entitled to credits\(^1\) \text{and}

2. the claimant will reach pensionable age\(^2\) within one year \text{and}

3. the claimant was not receiving

\textbf{3.1} IS on the grounds of incapacity for work or disability \text{or}

\textbf{3.2} IB or SDA

the claimant is treated as having LCW or LCWRA from the beginning of the first assessment period for the purposes of entitlement to a work capability element only if they are also entitled to one of the benefits at M6261 or M6262. There is no requirement to serve a relevant period, and the work capability element is included in the UC award from the beginning of the first assessment period\(^3\). See M6241 - M6422 for guidance on which element is included in the UC award.

\textbf{Note 1:} See DMG Chapter 45 for the meaning of pensionable age.

\textbf{Note 2:} See M6423 for guidance where the claimant is not entitled to any of the benefits at M6261 or M6262.

\begin{itemize}
  \item [1] SS (Credits) Regs, reg 8B(2)(a)(i), (ii) & (iii); 2 ESA (TP, HB & CTB)(EA)(No. 2) Regs, reg 2(1); Pensions Act 95, Sch 4, para 1; 3 UC (TP) Regs, reg 26
  \item [1] UC (TP) Regs, reg 24(1)(d) & 26(2)
\end{itemize}

M6241 The claimant is entitled to the LCW element where they are entitled to any of the benefits at M6261 and are \textbf{not} entitled to any of the benefits at M6262\(^1\).

M6242 The claimant is entitled to the LCWRA element where they are entitled to any of the benefits at M6262\(^1\).
M6243 Where the claimant

1. satisfies the conditions at M6240 1. - 3.\(^1\) and

2. is not entitled to any of the benefits at M6261 or M6262\(^2\) and

3. is found to have LCW or LCWRA under UC provisions\(^3\)

they are treated as having LCW or LCWRA as appropriate from the beginning of the first assessment period. The LCW or LCWRA element is included in the UC award from the same date\(^4\).

1 UC (TP) Regs, reg 26(1); 2 reg 24(1)(d) or 24(3)(d); 3 UC Regs, Part 5; 4 UC (TP) Regs, reg 26(4)

M6244

Other claimants

M6245 Where

1. an award of UC is made to a claimant who is entitled to credits\(^1\) and

2. the claimant will not reach pensionable age\(^2\) within one year and

3. the claimant was not receiving

   3.1 IS on the grounds of incapacity for work or disability or

   3.2 IB or SDA\(^3\)

the claimant is treated as having LCW or LCWRA, if assessed as such, from the beginning of the first assessment period for the purposes of entitlement to a work capability element\(^4\). There is no requirement to serve a relevant period, and the work capability element is included in the UC award from the beginning of the first assessment period\(^5\).

1 SS (Credits) Regs, reg 8B(2)(a)(i), (ii) & (iii); UC (TP) Regs, reg 27(1)(a); 2 ESA (TP, HB & CTB)(EA)(No. 2) Regs, reg 2(1); Pensions Act 95, Sch 4, para 1; UC (TP) Regs, reg 27(1)(b) 3 reg 27(1)(b); 4 reg 27(2)(a); 5 reg 27(2)(b)

M6246 - M6249
Claimant entitled to IS, IB or SDA M6250 - M6262

Introduction M6250 - M6251

Claimant entitled to IS on the grounds of incapacity for work or disability M6252

Claimant entitled to IB or SDA M6253 - M6259

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Introduction

M6250 Claimants who are entitled to

1. IS on the grounds of incapacity for work or disability or
2. IB or
3. SDA

are being reassessed to determine whether their benefit, referred to as an existing award, can be converted to ESA. This is known as IB Reassessment – see DMG Chapter 45 for detailed guidance. This section gives guidance on the action to take where a claimant entitled to an existing award becomes a UC claimant.

1 WR Act 07, Sch 4, para 11

M6251 Where IB or SDA is in payment at the time the award of UC to claimants begins, it is taken into account as unearned income. See ADM Chapter H5 (Unearned income) for detailed guidance. For the purposes of this section, IB and SDA are existing benefits.

1 UC (TP) Regs, reg 25(1); UC Regs, reg 66, 2 UC (TP) Regs, reg 25(2)

Claimant entitled to IS on the grounds of incapacity for work or disability

M6252 Where

1. an award of UC is made to a claimant who was entitled to IS on the grounds of incapacity for work or disability on the day the UC claim was made or treated as made and
2. it is determined under UC provisions that the claimant has LCW or LCWRA
the claimant is treated as having LCW or LCWRA from the beginning of the first assessment period for the purposes of entitlement to a work capability element. There is no requirement to serve a relevant period, and the work capability element is included in the UC award from the beginning of the first assessment period.

Note: Whether or not the conversion phase had begun, it terminates when the award of IS terminates – see DMG Chapter 45 for further details. The claimant should be referred for the WCA under UC rules – see ADM Chapters G1 - G3.

1 WR Act 07, Sch 4, para 11; UC (TP) Regs, reg 22(3); 2 UC Regs, Part 5; 3 UC (TP) Regs, reg 22(1) and (2)(a)(i) & (b)(i); 4 reg 22(2)(a)(ii) & (iii) and (b)(ii) & (iii)

Claimant entitled to IB or SDA

Conversion notice not issued

M6253 Where

1. an award of UC is made to a claimant who was entitled to IB or SDA on the day the UC claim was made or treated as made and

2. it is determined under UC provisions that the claimant has LCW or LCWRA

the claimant is treated as having LCW or LCWRA from the beginning of the first assessment period for the purposes of entitlement to a work capability element. There is no requirement to serve a relevant period, and the work capability element is included in the UC award from the beginning of the first assessment period.

Note 1: See M6260 - M6262 where the claimant is approaching pensionable age.

Note 2: See DMG Chapter 45 for guidance on IB Reassessment, the conversion notice and pensionable age.

1 WR Act 07, Sch 4, para 11; UC (TP) Regs, reg 22(3); 2 UC Regs, Part 5; 3 UC (TP) Regs, reg 22(1) and (2)(a)(i) & (b)(i); 4 reg 22(2)(a)(ii) & (iii) and (b)(ii) & (iii)

M6254 Where the UC claimant is found to have LCW or LCWRA as in M6253, the award of IB or SDA should continue to be taken into account as unearned income as in M6251 until it is converted to an award of new style ESA.

1 UC (TP) Regs, reg 25
Conversion notice issued

M6255 Where

1. an award of UC is made to a claimant who is entitled to IB or SDA (“the relevant award”) and

2. on or before the date the UC claim is made or treated as made the conversion notice is issued¹

the question of whether the claimant has LCW or LCWRA is determined under the IB Reassessment provisions².

1 UC (TP) Regs, reg 23(1); 2 reg 23(1A); ESA (TP, HB & CTB)(EA)(No. 2) Regs

M6256 Where, following application of the WCA, the relevant award qualifies for conversion to ESA including the WRAC

1. the claimant is treated as having had LCW and

2. the LCW element is included in the UC award

from the beginning of the first assessment period¹.

1 UC (TP) Regs, reg 23(2)

M6257 Where, following application of the WCA, the relevant award qualifies for conversion to ESA including the support component

1. the claimant is treated as having had LCWRA and

2. the LCWRA element is included in the UC award

from the beginning of the first assessment period¹.

1 UC (TP) Regs, reg 23(3)

M6258 Where M6256 or M6257 applies, the award of IB or SDA is converted to an award of new style ESA¹.

1 ESA (TP, HB & CTB)(EA)(No. 2) Regs; WR Act 12(Commencement No. 9 etc.) Order, art 9(1) & Sch 4

Claimant entitled to IB or SDA and approaching pensionable age

M6260 Where
1. an award of UC is made to a claimant who is entitled to IB or SDA\(^1\) and

2. no conversion notice has been issued\(^2\) and

3. the claimant will reach pensionable age\(^3\) within one year and

4. the claimant is entitled to
   4.1 PIP or
   4.2 DLA or
   4.3 AA or
   4.4 AFIP or
   4.5 CAA or
   4.6 any payment for attendance which is a part of WDisP

the claimant is treated as having LCW or LCWRA from the beginning of the first assessment period for the purposes of entitlement to a work capability element. There is no requirement to serve a relevant period, and the work capability element is included in the UC award from the beginning of the first assessment period\(^4\). See M6261 - M6262 for guidance on which element is included in the UC award.

1 WR Act 07, Sch 4, para 11; UC (TP) Regs, reg 19(8); 2 ESA (TP, HB & CTB)(EA)(No. 2) Regs, reg 4; 3 reg 2(1); Pensions Act 95, Sch 4, para 1; 4 UC (TP) Regs, reg 24

M6261 The claimant is entitled to the LCW element where they are entitled to\(^1\)

1. PIP and neither
   1.1 the daily living component or
   1.2 the mobility component

is payable at the enhanced rate\(^2\) or

2. DLA and either
   2.1 the care component is payable at the middle rate or
   2.2 the mobility component is payable at the lower rate\(^3\) or

3. AA payable at the lower rate\(^4\) or
4. CAA which is not awarded for exceptionally severe disablement\(^5\) or

5. payment for attendance as part of WDisP which is not awarded for exceptionally severe disablement\(^6\).

**Note:** Where a claimant also receives a benefit at M6262 they will be entitled to the LCWRA element only.

1 UC (TP) Regs, reg 24(1)(d) & (2)(d); 2 WR Act 12, s 78 – 80; 3 SS CB Act 92, s 71, 72(4) & 73(11); 4 s 64 & 65; 5 s 104 & Sch 4, Part 5, para 2(a); 6 Income Tax (Earnings and Pensions) Act 2003, s 639(2); SS CB Act 92, Sch 4, part 5, para 2(a)

M6262 The claimant is entitled to the LCWRA element where they are entitled to\(^1\)

1. PIP and either

   1.1 the daily living component or

   1.2 the mobility component

is payable at the enhanced rate\(^2\) or

2. DLA and either

   2.1 the care component is payable at the highest rate or

   2.2 the mobility component is payable at the higher rate\(^3\) or

3. AA payable at the higher rate\(^4\) or

4. AFIP\(^5\) or

5. CAA which is awarded for exceptionally severe disablement\(^6\) or

6. payment for attendance as part of WDisP which is not awarded for exceptionally severe disablement\(^7\).

1 UC (TP) Regs, reg 24(3)(d) & 4(d); 2 WR Act 12, s 78 – 80; 3 SS CB Act 92, s 71, 72(4) & 73(11); 4 s 64 & 65; 5 AF & RF (Comp Scheme) Order; 6 SS CB Act 92, s 104 & Sch 4, Part 5, para 2(b); 7 Income Tax (Earnings and Pensions) Act 2003, s 639(2); SS CB Act 92, Sch 4, part 5, para 2(a)
Qualifying young person M6263 - M6269

M6263 A person who is receiving an existing benefit is not a qualifying young person\(^1\). See M6003 for guidance on the meaning of existing benefit and ADM Chapter F1 (Child element) for guidance on qualifying young person.

\(^1\) UC (TP) Regs, reg 28
Support for housing costs M6270 - M6279

Claimant previously entitled to housing costs M6270 - M6271

Claimant not previously entitled to housing costs M6272 M6279

Claimant previously entitled to housing costs

M6270 Where

1. an award of UC is made to a claimant who was

   1.1 entitled to JSA(IB), ESA(IR) or IS at any time during the period of one month ending on the day the UC claim was made or treated as made or would have been so entitled had the award not been terminated or

   1.2 the partner of a person entitled to JSA(IB), ESA(IR) or IS at any time during the period of one month ending on the day the UC claim was made or treated as made but the UC award is not a joint award to the claimant and that person

2. on the relevant date (see M6271) the award in 1. of JSA(IB), ESA(IR) or IS included housing costs and

3. the claimant is liable for housing costs for the purposes of UC

the requirement to serve a qualifying period before a HCE for owner-occupiers can be included in the UC award does not apply. See ADM Chapter F2 (Housing costs element: general) for detailed guidance on the qualifying period, and ADM Chapter F4 (Housing costs element: support for owner occupiers) for guidance on the HCE for owner-occupiers.

Example

Maureen has been entitled to UC since 22.6.15. She moves in with her partner Calvin on 14.9.15. Calvin is entitled to JSA(IB), including housing costs for a loan used to buy his home. Calvin’s award of JSA(IB) terminates on 21.8.15, and he and Maureen are entitled to UC as joint claimants from 22.8.15. Their UC award includes the owner-occupier housing costs element from 22.8.15.
Meaning of relevant date

M6271 For the purpose of M6270 2. the relevant date¹ is

1. the day entitlement to JSA(IB), ESA(IR) or IS terminated where
   - 1.1 M6270 1.1 applies and
   - 1.2 the claimant was not entitled to JSA(IB), ESA(IR) or IS on the day the claim for UC was made or treated as made or
2. the day the UC claim was made where
   - 2.1 M6270 1.1 applies and
   - 2.2 the claimant is not a new claimant partner and was entitled to JSA(IB), ESA(IR) or IS on that day or
3. the day the UC claim was treated as made where
   - 3.1 M6270 1.1 applies and
   - 3.2 the claimant is a new claimant partner and was entitled to JSA(IB), ESA(IR) or IS on that day or
4. the day
   - 4.1 the claimant ceased to be the partner of a person entitled to JSA(IB), ESA(IR) or IS or
   - 4.2 if earlier, the day the award of JSA(IB), ESA(IR) or IS terminated

where M6270 1.2 applies.

1 UC (TP) Regs, reg 29(2)

Claimant not previously entitled to housing costs

M6272 Where¹

1. an award of UC is made to a claimant who was
   - 1.1 entitled to JSA(IB), ESA(IR) or IS at any time during the period of one month ending on the day the UC claim was made or treated as made or would have so entitled had the award not been terminated² or
   - 1.2 the partner of a person entitled to JSA(IB), ESA(IR) or IS at any time during the period of one
month ending on the day the UC claim was made or treated as made but the UC award is not a joint award to the claimant and that person and

2. the award of JSA(IB), ESA(IR) or IS did not include housing costs because the qualifying period had not ended and

3. the claimant is liable for housing costs for the purposes of UC

the qualifying period during which the housing costs element cannot be paid is reduced as in M6273.  

1 UC (TP) Regs, reg 29(1)(a) & (b) & (4); 2 WR Act 12 Commencement Orders; UC (TP) Regs; 3 JSA Regs 96, Sch 2, para 6(1)(c) & (7)(1)(b); ESA Regs 08, Sch 6, para 8(1)(c) & 9(1)(b); IS (Gen) Regs, Sch 3, para 6(1)(c) or 8(1)(b); 4 UC (TP) Regs, reg 29(5)

M6273 Where M6272 applies, the qualifying period before which the HCE is included in the UC award is 273 days starting with the first day the claimant or their partner was continuously entitled to JSA(IB), ESA(IR) or IS, including linked periods. For this to apply

1. receipt of UC has to be continuous and

2. the claimant would otherwise qualify for the HCE

throughout the part of the qualifying period after the award of UC is made. See DMG Chapter 23 for guidance on housing costs for JSA(IB) and IS, and DMG Chapter 44 for guidance on ESA(IR) housing costs.

Note: The qualifying period is 91 days for claimants who are entitled or treated as entitled to UC for a continuous period which includes 31.3.16.

1 UC (TP) Regs, reg 29(5)(b); 2 JSA Regs 96, Sch 2, para 13; ESA Regs 08, Sch 6, para 15; IS (Gen) Regs, Sch 3, para 14; 3 UC (TP) Regs, reg 29(5)(b); 4 SS (HC Amdt) Regs, reg 8

M6274 Where M6272 and M6273 apply the normal rules about non-inclusion of the HCE and the qualifying period do not apply.

1 UC (TP) Regs, reg 29(3) & (5)(a); UC Regs, Sch 5, para 5

M6275 - M6279
Introduction M6280 - M6284

Old style ESA sanctions M6285 - M6299

Old style JSA sanctions M6300 - M6309

UC claimant awarded existing benefit M6310 - M6314

Introduction

M6280 This section gives guidance on reduction of UC awards made to a UC claimant, including a new claimant partner, who, immediately before the relevant date (see M6281), was entitled to an award of ESA or JSA (see ADM Chapter M5 (Claims for UC – Digital service area) for the meaning of old style ESA and old style JSA) which had been subject to

1. a sanction – see M6285 et seq or

2. a loss of benefit penalty – see M6320 et seq.

See DMG Chapter 53 for guidance on ESA sanctions, DMG Chapter 34 for guidance on JSA sanctions, and DMG Chapter 08 for guidance on deductions from benefit for a loss of benefit penalty.

Note: If the claimant had been awarded ESA or JSA hardship payments and that award is terminated, they can apply for hardship under UC provisions. See DMG Chapter 35 and ADM Chapter L1 (Hardship) for further details.

Relevant date

M6281 In this section, the relevant date is

1. the day the award of ESA or JSA terminated where the claimant was not entitled to old style ESA or old style JSA on the day the UC claim was made or treated as made or

2. the day before the first date of entitlement to UC where the UC claim was made where the claimant is not a new claimant partner and was entitled to old style ESA or old style JSA on that day or

3. the day the UC claim was treated as made where the claimant is a new claimant partner and was entitled to old style ESA or old style JSA on that day.
Old style ESA sanctions

M6285 Where

1. an award of UC is made to a claimant who was previously entitled to old style ESA and

2. on the relevant date, the award of ESA was reduced because the claimant had failed without good cause to
   
   2.1 take part in a WFI or
   
   2.2 undertake WRA

the ESA failure is treated as a sanctionable failure for the purposes of UC.

1 WR Act 07, s 12 & 13; ESA Regs 08, reg 61 & 63; ESA (WRA) Regs, reg 8;
2 WR Act 12, s 27; UC (TP) Regs, reg 30(1) & (3)(a)

M6286 Where M6285 applies

1. the award of UC is reduced as in M6287 and

2. the reduction is treated as a reduction in accordance with UC rules.

See ADM Chapter K1 for guidance on general principles for UC reduction periods.

1 UC (TP) Regs, reg 30(3)(b); 2 WR Act 12, s 27; UC (TP) Regs, reg 30(3)(c); UC Regs, reg 101

Period of reduction

M6287 The reduction period is the number of days equivalent to the length of the fixed period part of the ESA reduction less

1. the number of days (if any) in that period for which old style ESA was reduced and

2. if there was a gap between the end of the ESA award and the first date of entitlement to UC, the number of days (if any) in the period
   
   2.1 after the termination of the old style ESA award and
   
   2.2 before the start of the UC award.
Note: Although the claimant may not have complied with the requirement for which the old style ESA sanction was imposed, the requirement no longer applies where the award is terminated or changed to an award of new style ESA. The fixed period still has to be served and is applied to UC.

1 ESA Regs, reg 63(7); 2 UC (TP) Regs, reg 30(4)

Example

Joy is entitled to ESA(IR). She joins her partner Tony on 14.9.15. Tony has been entitled to UC since 10.7.15. Joy’s award of ESA(IR) terminates on 9.9.15, as does Tony’s award of UC as a single claimant. Tony and Joy are entitled as joint claimants from 10.9.15.

Joy’s award of ESA(IR) had been reduced because she had failed to take part in a WFI. This was Joy’s second failure, and a fixed period of reduction of two weeks was imposed after she agreed to attend a WFI. The fixed period began on 4.9.15. Joy’s award of ESA(IR) was reduced for six days before it terminated on 9.9.15, and a further eight days reduction period is imposed for the UC award.

Escalation

M6288 Where

1. the UC claimant fails for no good reason to comply with a work–related requirement and
2. the failure is a sanctionable failure and
3. the claimant was previously entitled to old style ESA

the DM should take into account any previous ESA fixed period reductions, including a reduction carried forward to UC as in M6286, when determining what reduction period applies for the purposes of a low–level sanction. See ADM Chapter K5 for guidance on low–level sanctions, and DMG Chapter 53 for guidance on ESA reductions.

Note 1: See M6289 for when M6288 does not apply.


Example 1

Hussain was entitled to ESA. His award terminated on 16.4.15 after he returned to work. Hussain had failed to undertake WRA on 17.12.14, and a fixed period reduction of one week was imposed from 9.1.15.

Hussain’s job comes to an end, and he claims UC from 12.8.15. He is required to attend the Jobcentre fortnightly, but fails for no good reason to attend on 28.8.15. He attends on 2.9.15. The DM treats the
ESA one week reduction as a seven day low-level sanction. As this was within 365 days of the current sanctionable failure, the DM decides that Hussain’s award of UC is subject to a reduction of five days for the period before compliance, followed by 14 days, as the failure is within 365 days of a previous failure for which a seven day reduction period is treated as applying.

**Example 2**

Ryan is entitled to ESA. He fails to attend a WFI on 15.1.15, for which a one week fixed period reduction is imposed. Ryan then fails to undertake WRA on 28.5.15, and as this is within 52 weeks of the failure on 15.1.15, a two week fixed period reduction is imposed following compliance. The fixed period begins on 12.6.15.

Linzi has been entitled to UC since 14.5.15. On 24.6.15 she moves in with Ryan. Ryan and Linzi are entitled as joint claimants from 14.6.15. Their UC award is reduced for a period of 12 days, the balance of the ESA two weeks fixed period reduction (calculated by reducing half of the joint standard allowance).

On 3.9.15 Ryan fails for no good reason to attend a WFI. He meets the specified compliance condition by phoning on 11.9.15 and agreeing to attend a WFI. A low-level sanction is applied. When calculating the reduction period, the DM treats the failure of 15.1.15 as incurring a seven day reduction period, and the failure of 28.5.15 as incurring a 14 day reduction period. Ryan and Linzi’s award of UC is reduced for a total period of 36 days (eight for the period before compliance, and 28 as the previous failure within 365 days was for 14 days).

M6289 When determining a reduction period for a low-level sanction as in M6287, no account is taken of

1. a reduction of old style ESA carried forward to UC as in M6286, if the claimant is subsequently entitled to an existing benefit (see M6003 for meaning of existing benefit) or

2. a reduction of old style ESA, if after that reduction the claimant was entitled to UC, new style ESA or new style JSA, and was subsequently entitled to an existing benefit

if they are awarded UC again and there is a sanctionable failure.

**Note:** See ADM Chapter V8 and S8 for guidance on where a UC claimant is subsequently entitled to an existing benefit.

1 UC (TP) Regs, reg 31(3); ESA Regs 08, reg 63

**Example**

Maddie is entitled to ESA. She fails to attend a WFI on 15.1.15, for which a one week fixed period reduction is imposed. Maddie then fails to undertake WRA on 28.5.15, and as this is within 52 weeks of the failure on 15.1.15, a two week fixed period reduction is imposed following compliance. The fixed period begins on 12.6.15.
David has been entitled to UC since 14.5.15. On 24.6.15 he moves in with Maddie. David and Maddie are entitled as joint claimants from 14.6.15. Their award is reduced for a period of 12 days, the balance of the ESA two weeks fixed period reduction.

On 3.9.15 Maddie fails for no good reason to attend a WFI. She phones up on 11.9.15 and agrees to attend a WFI. When calculating the reduction period, the DM treats the failure of 15.1.15 as incurring a seven day reduction period, and the failure of 28.5.15 as incurring a 14 day reduction period. David and Maddie’s award of UC is reduced for a total period of 36 days (eight days for the period before compliance, and 28 days as the previous failure within 365 days was for 14 days).

M6290 - M6299

Old style JSA sanctions

M6300 Where

1. an award of UC is made to a claimant who was previously entitled to old style JSA

2. on the relevant date (see M6281), the award of old style JSA was reduced because of a sanctionable failure (whether before or after 22.10.12)

3. in the case of joint–claim couples, the sanction applies to the member of the couple who is subsequently awarded UC

the JSA failure is treated as a higher–level, medium–level or low–level sanctionable failure for the purposes of UC. See ADM Chapter K3 (Higher–level sanctions), Chapter K4 (Medium–level sanctions) and Chapter K5 (Low–level sanctions) for further guidance.

1 JS Act 95, s 19 & 19A; JSA Regs, 96, reg 69B; 2 UC (TP) Regs, reg 32(1) – (3)

M6301 Where M6300 applies

1. the award of UC is reduced as in M6302

2. the reduction is treated as a reduction in accordance with UC rules.

See ADM Chapter K1 for guidance on general principles for UC reduction periods.

1 UC (TP) Regs, reg 32(3)(b);

2 WR Act 12, s 26 & 27; UC (TP) Regs, reg 32(3)(c); UC Regs, reg 101

Period of reduction

M6302 The UC reduction period is the number of days equivalent to the length of the period of the
reduction less

1. the number of days (if any) in that period for which old style JSA was reduced and

2. if there was a gap between the end of the JSA award and the first date of entitlement to UC, the number of days (if any) in the period

   2.1 after the termination of the JSA award and

   2.2 before the start of the UC award.

Amount of reduction

M6303 Where

1. the JSA award was to a joint-claim couple and

2. the failure was by one member of the couple

the daily reduction rate for the UC award is the amount specified for the purposes of JSA divided by seven and rounded down to the nearest 10 pence. See DMG Chapter 34 for guidance on JSA sanctions, and DMG Chapter 35 for JSA hardship.

Note: But see M6304 for exceptions.

M6304 M6303 does not apply if, at the end of the assessment period, the claimant for whom the reduction is imposed is

1. aged 16 or 17 or

2. subject to no work-related requirements because they

   2.1 are responsible for a child aged under one or

   2.2 are an adopter or

   2.3 are pregnant and within 11 weeks of the EWC or

   2.4 were pregnant and within 15 weeks of confinement or

   2.5 are the foster parent of a child aged under one or
2.6 have LCWRA or

3. subject to a WFI only work–related requirement.

The normal UC rules apply instead. See ADM Chapter K9 (Amount of reduction) for guidance on what reduction amounts apply.

1 UC (TP) Regs, reg 32(6); UC Regs, reg 11(2) & (3); 2 reg 111(2)(a); 3 WR Act 12, s 19; 4 s 19(2)(c); 5 UC Regs, reg 89(1)(c); 6 reg 89(1)(d); 7 reg 89(1)(f); 8 WR Act 12, s 19; UC Regs, reg 40; 9 WR Act 12, s 20

Escalation

M6305 Where

1. the UC claimant fails for no good reason to comply with a work–related requirement and

2. the failure is a sanctionable failure and

3. the claimant was previously entitled to old style JSA

the DM should taken into account any previous old style JSA sanctions, including a sanction carried forward to UC as in M6301, when determining what reduction period applies for the purposes of a higher–level, medium–level or low–level sanction. See ADM Chapter K3 (Higher–level sanctions), Chapter K4 (Medium–level sanctions) and Chapter K5 (Low–level sanctions) for further guidance. See DMG Chapter 34 for guidance on JSA sanctions.

Note: See M6306 for when M6305 does not apply.

M6306 When determining a reduction period for a higher–level, medium–level or low–level sanction as in M6305, no account is taken of

1. a reduction of old style JSA carried forward to UC as in M6301, if the claimant is subsequently entitled to an existing award or

2. a reduction of old style JSA, if after that reduction the claimant was entitled to UC, new style ESA or new style JSA, and was subsequently entitled to an existing award if they are awarded UC again and there is a sanctionable failure.

Note: See ADM Chapter V8 (ESA transition) and S8 (JSA transition) for guidance on where a UC claimant is subsequently entitled to an existing award.
**Example**

Rita is entitled to JSA. She fails to attend a training course on 15.1.15, for which a 4 week lower level fixed period reduction is imposed. Rita then fails to provide a CV on 28.5.15 and as this is within 52 weeks of the failure on 15.1.15, a 13 week fixed period reduction is imposed following compliance. The fixed period begins on 4.6.15.

Ben has been entitled to UC since 12.5.15. On 24.7.15 he moves in with Rita. Ben and Rita are entitled as joint claimants from 12.7.15. When Ben and Rita form a couple any sanction which has not yet been applied to Rita’s JSA is transferred to the joint UC award. The balance of the sanction is converted into days (53 days) and added to Rita’s total outstanding reduction period. This is applied to the first assessment period of the joint UC award i.e. 12.7.15 to 11.8.15 (31 days), with the remaining 32 days applied until the outstanding period runs out i.e. 12.8.15 to 11.9.15 (31 days) and 12.9.15 (1 day).

On 3.9.15 Rita again fails for no good reason to attend a training course, but after talking to her adviser she starts the course on 11.9.15. When calculating the reduction period, the DM treats this as the third low–level sanction failure in UC and imposes an open ended sanction.

**UC claimant awarded existing benefit**

M6310 Where

1. an award of UC terminates and

2. there is an outstanding reduction period and

3. the claimant is entitled to an existing award during the reduction period

the rules about the reduction period continuing after UC terminates (including where UC terminates before a determination has been made) does not apply\(^1\), even if the claimant is awarded UC again. Instead, the reduction period ends on the first day of entitlement to the existing award\(^2\). See ADM Chapter K8 (When the reduction period begins and ends) for guidance on termination of the reduction period.

\(^1\) UC (TP) Regs, reg 34(a); UC Regs, reg 107; \(^2\) UC (TP) Regs, reg 34(b)
Revision and appeals - old style ESA or JSA decisions M6315 - M6319

M6315 Where, after a claimant has been awarded UC

1. an appeal against a decision about the claimant’s entitlement to old style ESA or JSA is finally determined or

2. a decision about the claimant’s entitlement to old style ESA or JSA is revised or superseded

the DM should consider whether the decision awarding UC, or any later supersession decisions, should be revised.¹

¹ WR Act 12 (Commencement No. 9 etc.) Order, art 24(1) & (2)

M6316 Where the DM considers it is appropriate to revise the UC decision, the revision should take into account

1. the decision about old style ESA or JSA

   1.1 as revised or superseded or

   1.2 as made by the FtT, UT or court and

2. any findings of fact made by the FtT, UT or court.¹

¹ WR Act 12 (Commencement No. 9 etc.) Order, art 24(3)

Example 1

Olivia’s entitlement to old style ESA, which began before 3.4.17, is terminated after she is found not to have LCW following application of the WCA.

Olivia joins her partner John, who is entitled to UC. Olivia and John are entitled to UC as joint claimants. In the meantime, Olivia applies for mandatory reconsideration, but the decision is not changed, and she appeals to the FtT. Her appeal is successful, and the FtT places her in the WRAG.

Olivia and John’s award of UC is revised to include the LCW element from the first day of entitlement to UC. Olivia is also paid any arrears of old style ESA up the day before the first day of UC entitlement.

Example 2

Ikbal’s entitlement to old style ESA which began on 5.10.18 ends on 12.2.19 after he is found not to have LCW following application of the WCA. He claims UC from 19.2.19, and is referred for the WCA again. On
22.7.19 the DM determines that Ikbal has LCWRA, and the UC award is superseded to include the LCWRA element from the assessment period beginning on 19.5.19.

Meanwhile, Ikbal has lodged an appeal against the old style ESA decision. The FtT determines that Ikbal has LCWRA. He is paid arrears of the support component for old style ESA up to 18.2.19. The UC DM revises the decision made on 22.7.19 to include the LCWRA element from 19.2.19.

M6317 - M6319
**Introduction** M6320 - M6324

**Transition from JSA, ESA, IS or HB** M6325 - M6344

**Transition from WTC** M6345

**Maximum total reduction** M6346 - M6699

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**Introduction**

M6320 Where

1. a claimant is awarded UC
   
   1.1 within one month of the end of an award of JSA, ESA, IS or HB\(^1\) or
   
   1.2 at any time after previous entitlement to WTC\(^2\) and

2. the award in 1.1 or 1.2 was subject to a loss of benefit penalty\(^3\)

the penalty continues to be applied to the UC award\(^4\).

**Note:** See ADM Chapter B2 (Restrictions on payment of benefit) for guidance on benefit offences, offenders and loss of benefit restrictions.

1 UC (TP) Regs, reg 35; 2 reg 37; 3 SS Fraud Act 01; Tax Credits Act 02; SS (LoB) Regs; 4 UC (TP) Regs, reg 36 & 37

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M6321 For JSA, ESA, IS and HB, the reduction rules for the previous benefit apply, instead of the normal UC rules for calculating the reduction. See M6325 and M6330 - M6335 for further details. But see M6326 - M6328 for exceptions.

M6322 For WTC, the UC reduction rules apply. See M6345 for further details.

M6323 Where the claimant is subject to reductions as in M6321 and M6322, the reduction is subject to a maximum total reduction. See M6346 for details.

M6324
Transition from JSA, ESA, IS or HB

Introduction
M6325 Where

1. an award of UC is made to a claimant who is

   1.1 an offender, who was entitled to an award of JSA, ESA, IS or HB (see M6330 – M6331) or

   1.2 an offender, and their former family member was entitled to an award of JSA, ESA, IS or HB (see M6332 – M6333) or

   1.3 an offender's family member, and the claimant or offender was entitled to an award of JSA, ESA, IS or HB (see M6334 – M6335) and

2. the offender or offender's family member was entitled to an award of JSA, ESA, IS or HB within one month of the date the UC claim was made or treated as made and

3. payment of the award in 2. was reduced due to a loss of benefit penalty

subsequent payments of UC are reduced for assessment periods which fall wholly or partly in the remainder of the disqualification period. See M6330 – M6335 for when this applies, and M6340 – M6343 for guidance on calculation of the amount of the reduction.

Note: The normal UC rules for calculating the amount of the reduction do not apply. But see M6326 – M6328 for exceptions.

1 UC (TP) Regs, reg 36; 2 reg 35(5)(a); 3 SS (LoB) Regs, reg 3ZB; 4 UC (TP) Regs, reg 35(5)(b)

Exceptions
M6326 M6325 does not apply if the award of UC is made more than one month after a previous award of JSA, ESA, IS or HB ended. The normal UC reduction rules apply to any remaining disqualification period. See ADM Chapter B2 (Restrictions on payment of benefit) for further guidance.

1 SS (LoB) Regs, reg 3ZB

M6327 M6325 does not apply if there was previous entitlement to old style joint-claim JSA where

1. on the relevant date, payment restrictions applied (see M6328) or

2. the UC award is not made to joint claimants who were both entitled to joint-claim JSA on the relevant date.

The normal UC rules apply instead. See ADM Chapter B2 (Restrictions on payment of benefit) for
detailed guidance.

Note: See M6331, M6333 and M6335 for guidance on the relevant date.

1 SS Fraud Act 01, s 8(2); UC (TP) Regs, reg 35(6)(a); 2 reg 35(5)(b)

M6328 The payment restrictions in M6327 1. are where

1. both members of the couple were subject to a loss of benefit penalty\(^1\) or

2. one member of the couple was subject to a loss of benefit penalty, and the other member was subject to a reduction of benefit due to a sanctionable failure\(^2\).

Note: See DMG Chapter 34 for guidance on JSA sanctions, and M6300 – M6306 for guidance on transition of JSA sanctions to UC.

1 SS Fraud Act 01, s 8(2)(a); 2 s 8(2)(b); JS Act 95, s 19, 19A & 19B

M6329

Case 1
M6330 The guidance at M6325 applies where\(^1\)

1. an award of UC is made to a claimant who is an offender\(^2\) and

2. the claimant was entitled, or would have been entitled if it had not terminated, to old style JSA, old style ESA, IS or HB within one month of the day the UC claim was made or treated as made and

3. on the relevant date, payments of old style JSA, old style ESA, IS or HB were restricted as a penalty for a benefit offence\(^3\).

1 UC (TP) Regs, reg 35(2); 2 SS Fraud Act 01, s 6B & 7; 3 s 6B, 7 & 8

M6331 For the purpose of M6330, the relevant date\(^1\) is

1. the day on which the award of old style JSA, old style ESA, IS or HB terminated where the claimant was not entitled to any of those benefits on the day the UC claim was made or treated as made or

2. the day the UC claim was made where the claimant is not a new claimant partner and was entitled to old style JSA, old style ESA, IS or HB on that day or

3. the day the UC claim was treated as made where the claimant is a new claimant partner and was entitled to old style JSA, old style ESA, IS or HB on that day.

1 UC (TP) Regs, reg 35(7)
Example 1

Donna’s award of JSA is not payable while she is serving a 26 week disqualification period, which started on 12.1.17. She is not eligible for hardship. On 6.2.17 Donna’s entitlement to JSA ends when she starts a temporary job which lasts for four weeks. The job ends on 3.3.17, and Donna claims UC on 6.3.17 as she satisfies the gateway conditions. Donna’s UC award is reduced for the remainder of the disqualification period.

Example 2

Claire is entitled to JSA(IB). Her award is subject to a three year penalty restriction. On 11.1.17 Claire is joined by her partner Matt, who has been entitled to UC as a single claimant since 18.10.16. Claire’s award of JSA(IB) is terminated on 19.12.16, as is Matt’s award of UC. Matt and Claire are awarded UC as joint claimants from 19.12.16, and their award of UC is restricted for the remainder of the disqualification period.

Case 2

M6332 The guidance at M6325 also applies where

1. an award of UC is made to a claimant who is an offender and

2. another person who was that offender’s family member (but who is no longer) was entitled to old style JSA, old style ESA, IS or HB within one month of the day the UC claim was made or treated as made and

3. on the relevant date, payments of old style JSA, old style ESA, IS or HB were restricted as a penalty for a benefit offence.

Note: For the purposes of 2, the offender’s family member is the UC claimant’s former partner.

1 UC (TP) Regs, reg 35(3); 2 SS Fraud Act 01, s 6B & 7; 3 s 9

M6333 For the purpose of M6332 the relevant date is

1. the day the person entitled to old style JSA, old style ESA, IS or HB ceased to be the offender’s family member or

2. the day the award of old style JSA, old style ESA, IS or HB terminated if earlier than the day in 1.

Example

John is entitled to IS for himself and his partner Lynne while he cares for his severely disabled mother. Lynne is convicted of a benefit offence for which a three year disqualification period is imposed, and
John’s award of IS is subject to a reduction from 20.4.16. John and Lynne separate on 25.11.16. John’s award of IS as a single claimant continues without the reduction. Lynne claims UC as a single claimant from 5.12.16. Lynne’s award of UC is reduced for the remainder of the disqualification period.

**Case 3**

M6334 The guidance at M6325 also applies where

1. an award of UC is made to a claimant who is an offender’s family member
2. the offender, or the claimant, was entitled to old style JSA, old style ESA, IS or HB within one month of the day the UC claim was made or treated as made
3. on the relevant date, payments of old style JSA, old style ESA, IS or HB were restricted as a penalty for a benefit offence.

1 UC (TP) Regs, reg 35(4); 2 SS Fraud Act 01, s 9; 3 s 6B, 7, 8 & 9

M6335 For the purpose of M6334 the relevant date is

1. the day on which the award of old style JSA, old style ESA, IS or HB terminated where the claimant was entitled to any of those benefits but that entitlement terminated before the day the UC claim was made or treated as made
2. the day the UC claim was made where the claimant is not a new claimant partner and was entitled to old style JSA, old style ESA, IS or HB on that day
3. the day the UC claim was treated as made where the claimant is a new claimant partner and was entitled to old style JSA, old style ESA, IS or HB on that day
4. the earlier of the day a person ceased to be an offender’s family member or the day the award of old style JSA, old style ESA, IS or HB terminated where the offender’s family member was entitled to any of those benefits.

1 UC (TP) Regs, reg 35(7)

M6336 - M6339

**Amount of reduction**

M6340 Where M6325 et seq applies, the amount by which payment of UC is reduced in an assessment period is calculated by multiplying the daily reduction rate by the number of days in the assessment period. Where the disqualification ends during an assessment period, the amount by which UC is reduced in an assessment period is calculated by multiplying the daily reduction rate by the number of days in the assessment period which are in the disqualification period. However, the reduction must not
exceed the claimant’s standard allowance for an assessment period. See M6341 - M6343 for guidance on the daily reduction rate. See ADM Chapter E2 (Benefit unit, awards and maximum amount) for guidance on assessment periods and the standard allowance.

Note: See M6346 for guidance where more than one reduction as in M6325 - M63335 and M6345 apply.

Daily reduction rate

M6341 Unless M6342 or M6343 apply, the daily reduction rate is calculated by

1. taking the amount equal to the amount by which payments of old style JSA, old style ESA, IS or HB were reduced in the last complete week before the relevant date (see M6326) and

2. multiplying by 52 and

3. dividing by 365 and

4. rounding down to the nearest 10 pence.

Note: See M6343 for joint-claim JSA reduction rates.

Example

Cordelia is aged 27, and is entitled to ESA(IR) for herself and her partner Andrei. Andrei is convicted of a benefit offence which took place before 1.4.13, and Cordelia’s award of ESA(IR) is subject to a penalty reduction of £29.25 a week (40% reduction of the applicable amount for a single claimant aged 25 or over) with a 3 year disqualification period. Cordelia’s award of ESA(IR) is terminated when she is found not to have LCW, and the couple claims UC. The daily reduction applied to their UC award is £29.25 x 52 ÷ 365 = £4.16 rounded down to £4.10. This equates to a reduction of £123 in a 30 day month, and £127.10 in a 31 day month.

M6342 Where the amount by which payments of old style JSA, old style ESA, IS or HB would have been reduced would, if the claimant had remained entitled to those benefits, have changed during the disqualification period because of uprating

1. the daily reduction rate is calculated as in M6341 except that for 1. the amount is the new amount by which payments would have been reduced and

2. any adjustment of the UC reduction takes effect from the start of the first assessment period after the date of change.
M6343 Where the claimant was previously receiving joint-claim JSA the daily reduction rate is calculated by

1. taking the amount of the standard allowance for UC joint claimants and

2. multiplying by 12 and

3. dividing by 365 and

4. reducing by 60% and

5. rounding down to the nearest 10 pence.

Example

Courtney and Justin are entitled to joint-claim JSA. Courtney is convicted of a benefit offence with a three year disqualification period, and their award of JSA is reduced to include the single claimant applicable amount instead of the couple rate, with no hardship payable, i.e. £73.10 instead of £114.85 weekly. Justin finds temporary work, and the award of JSA(IB) is terminated. Justin’s job ends four weeks later, and the couple claims UC. The daily reduction rate is £498.89 x 12 ÷ 365 – 60% = £6.56 rounded to £6.50. This is a reduction of £195 in a 30 day assessment period, and £201.50 in a 31 day assessment period.

M6344

Transition from WTC

M6345 Where a UC claimant

1. was previously entitled to WTC and

2. is an offender

the guidance on reduction of UC for benefit offences in ADM Chapter B2 applies as if the terms “disqualification period”, “offender” and “offender’s family member” had the same meanings as in TC provisions. This allows a penalty applied to a WTC award to continue in relation to a UC award.

Example
Craig is single and entitled to WTC, which is subject to a 100% reduction for a three year fraud penalty. Craig’s work ends, and he claims UC. The normal UC reduction rules apply. Craig had served one year of the penalty when he claimed UC. The daily reduction rate is £317.82 (standard monthly allowance) x 12 ÷ 365 = £10.44, rounded down to £10.40. The monthly reduction varies for the remaining two years of the penalty according to the number of days in the month, so that in 30 day months Craig’s UC award is reduced by £312, and in 31 day months by £322.40.

**Maximum total reduction**

M6346 Where reductions as in M6325 - M6335\(^1\) and M6345\(^2\) apply, the total amount of the reduction must not exceed the amount of the standard allowance\(^3\) applicable for the reduction period\(^4\).

\(^1\) UC (TP) Regs, reg 35; \(^2\) reg 37; \(^3\) SS (LoB) Regs, reg 3ZB; \(^4\) WR Act 12, s 9; 4 UC (TP) Regs, reg 38

**Example**

Richard is aged 30 and is entitled to WTC and HB. He was convicted of a benefit offence and has served one year of a three year penalty. His award of WTC is subject to a 100% reduction, while the HB award is subject to a 40% reduction. Richard claims UC after his job ends.

The daily rate reduction for the WTC penalty is £317.82 (UC standard monthly allowance) x 12 ÷ 365 = £10.44, rounded down to £10.40. The daily rate reduction for the HB penalty is £73.10 (HB weekly personal allowance) x 40% = £29.24 rounded to £29.25 x 52 ÷ 365 = £4.16 rounded to £4.10. The total daily reduction is £10.40 + £4.10 = £14.50. As this amount multiplied by the number of days in a month exceeds the standard monthly allowance of £317.82 in any month, the total maximum reduction is £317.82.

M6347 - M6699
Treatment of arrears of benefit and concessionary payments of £5,000 or more M6700 - M6709

M6700 Where

1. a person has received a payment of arrears of, or compensation for non-payment of arrears of benefit of £5,000 or more and

2. the payment

   2.1 is received during the current UC award and the payment would be disregarded from the calculation of capital of the claimant if the claimant were entitled to an existing benefit¹ (see M6003) or SPC or

   2.2 was received during an award of an existing benefit or SPC (the earlier award) and the claimant became entitled to the current UC award within one month of the date of termination of the earlier award and the payment was disregarded from the calculation of the claimant’s capital for the purposes of the earlier award and

3. the period of entitlement to benefit to which the payment of arrears or compensation relates, begins before the first day on which the abolition of existing benefits comes into force (that is, when a claim for or an award of UC is made – see Chapter M5 (Claims for UC – Digital service area))

the payment is disregarded for a period of 12 months from the date of receipt of the payment or until the termination of the current award, whichever is the later².

¹ UC(TP) Regs, reg 2(1); 2 UC(TP) Regs, reg 10A

Example 1

Glyn is entitled to UC. His award began on 17.5.18 when he moved to a different LA area and was unable to claim HB. On 23.10.18 he receives a payment of £6,802.03 arrears of ESA(IR) after the decision converting an award of IB to ESA is revised for official error. Glyn’s award of UC ends on 3.2.20 when he claims SPC. The payment is disregarded as capital for the whole of Glyn’s award of UC.

Example 2

Chantelle is entitled to IS as a lone parent, as well as PIP standard daily living component. In April 2019 she receives a payment of £7,099.65 arrears of PIP after her PIP award is superseded for error of law to include the mobility component from 28.11.16. The payment is disregarded as capital for the purposes of IS. On 10.7.19 Chantelle’s award of IS ends when her youngest child reaches the age of 5. Chantelle claims and is awarded UC from 11.7.19. The remaining amount of arrears of PIP continues to be...
disregarded as capital for the purposes of UC.

M6701 - M6709
**Transitional SDP amount M6710 - M6999**

**Introduction** M6710 - M6714

**Definitions** M6715 - M6718

**When is a transitional SDP amount payable** M6719 - M6729

**Transitional SDP amount** M6730 - M6749

**Payment of transitional SDP amount** M6750 - M6754

**Conversion of transitional SDP amount** M6755 - M6769

**Decision making and appeals** M6770 - M6999

**Introduction**

[See Memo ADM 01/21] Before claiming UC, a claimant who had an award of IS, JSA(IB) or ESA(IR) and was a severely disabled person may have been entitled to the lower or higher SDP rate\(^1\).

**Note:** Detailed guidance on the SDP qualifying conditions, the lower and higher SDP rates, and the meaning of a severely disabled person, is in DMG Chapter 23 for IS and JSA, and DMG Chapter 44 for ESA.

\(^1\) IS (Gen) Regs, reg 17(I) and Sch 2 para 13 & 15(5); JSA Regs 96, reg 83(I)(e) and Sch 1 para 15, 20(6)& 20l; ESA Regs 08, reg 67(I)(b) and Sch 4 para 6 & 11(2)

M6711 A payment known as the transitional SDP amount may be paid to UC claimants who were previously entitled to the SDP and satisfy the conditions in M6719\(^1\).

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

M6712 This includes where UC is awarded despite any restriction on claiming UC (see ADM Chapter M5 (Claims for UC – Digital Service area)), or where entitlement to the SDP was awarded in respect of the existing award after an award of UC was made.

M6713 - M6714
Definitions

Meaning of lower SDP rate and higher SDP rate
M6715 The lower SDP rate and the higher SDP rate are the rates specified for IS, JSA(IB) and ESA(IR)\(^1\). See DMG Chapters 23 and 44 for detailed guidance on the conditions for the lower and higher SDP rates.

\(^1\) UC (TP) Regs, Sch 2 para 8; IS (Gen) Regs, Sch 2 para 15(5)(b); JSA Regs 96, Sch 1 para 20(6)(b); ESA Regs 08, Sch 4 para 11(2)(b)

Meaning of qualifying partner
M6716 For joint claimants where the lower SDP rate was previously payable, the qualifying partner is the member of the couple who\(^1\)

1. had no carer or
2. was not the partner who satisfied the condition for SDP only as a patient.

\(^1\) UC (TP) Regs, Sch 2 para 8

Meaning of carer
M6717 A carer is a person who

1. is entitled to and in receipt of CA or
2. has an award of UC which includes the carer element

in respect of caring for a UC claimant for whom a transitional SDP payment is being considered\(^1\).

\(^1\) UC (TP) Regs, Sch 2 para 8

Meaning of conversion day
M6718 [See Memo ADM 11/21] The conversion day is a date which will be determined by the Secretary of State with regard to the efficient administration of UC\(^1\). See M6755 for the effect of the conversion day on the transitional SDP amount.

\(^1\) UC (TP) Regs, Sch 2 para 8

When is a transitional SDP amount payable
M6719 Where it is identified that

1. an award of UC has been made on a claim in respect of a claimant who within the period of one month immediately before the first day of UC entitlement was entitled to IS, JSA(IB) or ESA(IR) including the
2. where the award of IS, JSA(IB) or ESA(IR) ended during that month, the claimant continued to satisfy the SDP conditions for the remainder of the month² and

3. the UC award has not ended before the date on which the DM considers whether a determination about a transitional SDP payment can be made³ (see M6720) and

4. the claimant or either of joint claimants continues to be entitled to
   4.1 the care component of DLA or
   4.2 the daily living component of PIP or
   4.3 AFIP or
   4.4 AA and

5. no person has become a carer for
   5.1 the single claimant or
   5.2 in the case of joint claimants
      5.2.a if SDP was payable at the higher rate, both of them or
      5.2.b if SDP was payable at the lower rate, the claimant who was the qualifying partner

the DM must determine the transitional SDP amount of UC payable. See M6730 - M6734 for guidance on the amount payable.

Note: No account is taken of the presence of a non-dependant who is not a carer at the date of the determination.

1 UC (TP) Regs, Sch 2 para 1(a); 2 para 1(b); 3 para 1(c); 4 para 1(d); ESA Regs 08, Sch 4 para 6; 5 UC (TP) Regs, Sch 2 para 1(e)

M6720 A UC award ends when the claimant

1. no longer satisfies the UC conditions of entitlement or

2. becomes a member of a couple or

3. ceases to be a member of a couple¹.
Example

Ann and Tony are entitled to UC. They made their claim when they moved to a new LA area and were prevented from claiming HB. Before they were awarded UC, Tony was entitled to ESA(IR) for himself and Ann. Both he and Ann were in receipt of the middle rate care component of DLA. Tony’s award of ESA(IR) included the higher SDP rate.

By the time the Secretary of State examines the case, Tony and Ann’s award of UC as joint claimants has terminated when they separate. Tony and Ann continue to be entitled to UC as single claimants, and they both continue to be entitled to DLA, but neither award can include the transitional SDP amount.

M6721 - M6729

Transitional SDP amount

M6730 The transitional SDP amount is calculated in accordance with whichever of the circumstances in M6732 - M6733 applies at the date of the determination as in M6719. This means that, even if the claimant’s circumstances change at a later date, the transitional SDP amount continues to be included in the UC award.

Note 1: But see M6734 if the award does not include the LCWRA element at the date of the determination, but it is included from a later date.

Note 2: If the UC award ends, for example on formation or separation of a couple, no further transitional SDP amount is included in any further award. This is because the condition in M6719 would not be satisfied.

1 UC (TP) Regs, Sch 2 para 2

M6731 The transitional SDP amount is payable for each assessment period

1. before the determination in M6719 is made, i.e. from the beginning of the UC award and

2. after that determination which begins before the conversion day. See M6718 for the meaning of conversion day.

Note: See M6750 - M6752 for how payment of the transitional SDP amount is made.

1 UC (TP) Regs, Sch 2 para 1

Example

Clare is entitled to ESA(IR) and the standard daily living component of PIP as well as HB. Her ESA award includes the SDP and the work-related activity component. On 15.7.17 she moves to a different LA area which is also a UC Full Service area, and claims and is awarded UC from 15.7.17. Her awards of ESA(IR)
and HB terminate. Clare's award of PIP continues. She has no carer.

On 6.8.19 the DM determines that Clare is entitled to a transitional SDP amount of £6840 (24 x £285) for each assessment period from 15.7.17 until 14.7.19, and £285 for each assessment period from 15.7.19.

**Single claimant**

M6732 The transitional SDP amount for a single claimant is

1. £120 if the LCWRA element is included in the UC award at the date of the determination or

2. £285 if the LCWRA element is not included.

**Note:** See M6734 where the LCWRA element was not included in the award in the date of the determination, but is included in a later assessment period.

1 UC (TP) Regs, Sch 2 para 2(a)

**Joint claimants**

M6733 The transitional SDP amount for joint claimants is

1. £405 if the higher SDP rate was payable as part of the existing benefit and no person has become a carer for either or both claimants or

2. £120 if 1. does not apply and the LCWRA element is included in the award at the date of the determination for either of them or

3. £285 if 1. does not apply and the LCWRA element is not included in the award at the date of the determination for either or both of them.

1 UC (TP) Regs, Sch 2 para 2(b)

**Note:** See M6734 where the LCWRA element was not included in the award at the date of the determination, but is included in a later assessment period.

**LCWRA element included after UC award begins**

M6734 If the LCWRA element was not included in the UC award at the date of the determination, but is included in a later assessment period, the amount for that period and each subsequent period before the conversion day is £120. The DM must make a further determination about the transitional SDP amount.

**Note 1:** This does not apply where M6733 1. applies.

**Note 2:** See Chapter F5 (LCWRA element) for when the LCWRA element is included.
Example

Darren is entitled to ESA(IR) and the standard daily living component of PIP as well as HB. His ESA award includes the SDP and the work-related activity component. On 15.7.17 he moves to a different LA area which is also a UC Full Service area, and claims and is awarded UC from 15.7.17. His awards of ESA(IR) and HB terminate. Darren’s award of PIP continues. He has no carer.

On 6.8.19 the DM determines that Darren is entitled to a transitional SDP amount of £6840 (24 x £285) for each assessment period from 15.7.17 until 14.7.19, and £285 for each assessment period from 15.7.19.

Darren notifies on 25.11.19 that his health condition has deteriorated, and after the WCA it is determined that Darren has LCWRA. The LCWRA element is included in his award from 15.11.19. The DM determines that from 15.11.19 and each subsequent assessment period the transitional SDP amount is £120.

M6735 - M6749

Payment of transitional SDP amount

M6750 The transitional SDP amount may be paid

1. as a lump sum or

2. by periodic payments or

3. as a lump sum followed by periodic payments\(^1\).

\(^1\) UC (TP) Regs, Sch 2 para 3

M6751 Normally a lump sum will be paid for all complete assessment periods before the determination is made, followed by monthly payments from the assessment period in which the determination is made. See M6770 - M6772 for further guidance on decision making.

Example 1

Neil’s awards of IS including the SDP and HB, were terminated when he moved to a UC Full Service area and claimed UC from 14.12.16. The DM determined that Neil had LCW, and the LCW element was included in his UC award from the beginning of the first assessment period.

Neil has remained entitled to the middle rate care component of DLA throughout his period of entitlement to UC. He has no carer. On 20.8.19 the DM determines that Neil satisfies the conditions for an award of the transitional SDP payment at the rate of £285 for each assessment period from 14.12.16. Neil is awarded a lump sum of £9120 (32 x £285) for the assessment periods ending on 13.8.19, and a periodic payment of £285 for each further assessment period from 14.8.19.
Example 2

Shireen’s awards of ESA(IR) which included the SDP and HB are terminated when she moves to a UC Full Service area and is unable to make a further claim for HB. She claims and is awarded UC including the LCWRA element from 17.6.18.

Shireen has remained entitled to the middle rate care component of DLA throughout her period of entitlement to UC. She has no carer. On 20.8.19 the DM determines that Shireen satisfies the conditions for an award of the transitional SDP payment at the rate of £120 for each assessment period from 17.6.18. Shireen is awarded a lump sum of £1680 (14 x £120) for the assessment periods up to 16.8.19, and a periodic payment of £120 for each further assessment period from 17.8.19.

M6752 Where all or part of the transitional SDP amount is paid as a lump sum, it is disregarded as capital for

1. the period of 12 months from when the lump sum is paid or

2. if longer, the remainder of the UC award1.

1 UC (TP) Regs, Sch 2 para 7

Example

Stewart and Elaine have been entitled to UC since 16.9.15. Stewart was previously entitled to IS and HB including the SDP, and both Stewart and Elaine were entitled to the standard daily living component of PIP. They remain entitled to PIP and have no carer.

On 3.9.19 the DM determines that Stewart and Elaine satisfy the conditions for payment of the transitional SDP amount. Stewart and Elaine receive a lump sum payment of £19035 (47 x £405) for the assessment periods up to 15.8.19, and £405 is included in their UC award for each assessment period from 16.8.19.

The sum of £19035 is disregarded as capital as long as Stewart and Elaine remain eligible for UC, or for 12 months if longer.

M6753 - M6754

Conversion of transitional SDP amount

M6755 [See Memo ADM 11/21] In the first assessment period which begins on or after the conversion day, the transitional SDP amount is treated as an initial amount of a transitional element of UC1.

Note 1: See M6718 for the meaning of conversion day. At present, no date for conversion day has been set.
Note 2: See Chapter M7 (Managed migration pilot and Transitional protection) for guidance on when the transitional element is adjusted, terminated or included in a later award.

1 UC (TP) Regs, reg 55(1) & (2), 56, 57 and Sch 2 para 5 & 6

Decision making and appeals

M6770 Where the DM makes a determination that a transitional SDP amount is payable, this is an additional amount of UC which is included in the award. The DM should supersede the last decision awarding UC on the grounds of a relevant change of circumstances, i.e. a change of law\(^1\) to include the transitional SDP amount.

1 UC, PIP, JSA & ESA (D&A) Regs, reg 23(1)

M6771 The change of law takes effect on the day it is determined that all the conditions for payment of the transitional SDP amount are satisfied. The effective date of the decision is

1. the first day of the assessment period if the change in legislation has effect from that day or

2. in any other case, the first day of the assessment period beginning after the date on which the change had effect\(^1\).

1 UC, PIP, JSA & ESA (D&A) Regs, Sch 1 para 32(a)

Note: See Chapter A4 (Supersession) for detailed guidance on supersession and the effective date for a change of law.

M6772 The decision embodying the determination about a transitional SDP amount has the right of mandatory reconsideration and appeal in the normal way. See Chapter A5 (Revision) and Chapter A6 (Appeals) for further details.

M6773 – M6999

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