

Managed Migration

Transitional Element: Calculation

23.2.2024

This Calculation Sheet should be used as a guide only. It has been designed to be used by experienced advisers to assess the amount of Transitional Element (if any) a person will get when moving from the 'legacy benefit' system to Universal Credit under 'managed migration'. Whilst the Transitional Element is meant to represent the difference (if any) between the amount a person used to receive in 'legacy benefits' and Universal Credit, the actual assessment is not as straightforward as simply comparing the total of both amounts.

Name:	
National Insurance Number:	
Name Welfare Rights Officer:	
Date:	

Step 1: Calculate Total Legacy Amount

Income-based JSA ((IB)JSA)	£	Monthly
Income-related ESA ((IR)ESA)	£	Monthly
Income Support (IS)	£	Monthly
Child Tax Credit (CTC)	£	Monthly
Working Tax Credit (WTC)	£	Monthly
Housing Benefit (<u>unless</u> in Supported Accommodation)	£	Monthly
Sub Total:	£	Monthly
Benefit Cap Deduction (If Applicable - See Note: 16 / 17)	£	Monthly
A. TOTAL LEGACY AMOUNT:	£	Monthly

Note 1: The Income-based JSA / Income-related ESA / Income Support amount taken into account is the weekly rate on 'migration day' (held by the DWP) multiplied by 52 and divided by 12.

Note 2: The Child Tax Credit / Working Tax Credit amount taken into account is the daily rate of tax credits paid on 'migration day' (provided by HMRC) multiplied by 365 and divided by 12.

Note 3: The Housing Benefit (and amount taken into account is the weekly rate on 'migration day' (held by the DWP) multiplied by 52 and divided by 12. If the person should apply for Universal Credit during a rent-free week (i.e. when no Housing Benefit was paid) then use the amount of Housing Benefit paid in the last complete week which was not a rent-free week.

Note 4: If a person receives Housing Benefit but is living in Supported Accommodation (meaning: accommodation provided by a local authority, housing association, registered charity or voluntary organisation where care, support or supervision is provided or 'temporary accommodation' made available by a local authority to prevent homelessness then no amount for Housing Benefit can be included in the Total Legacy Amount calculation.

Step 2: Calculate Indicative Universal Credit Amount

Indicative Universal Credit Amount		Assessable Income Amount	
Standard Allowance	£ Monthly	Employment Income / Trading Income Please see Notes: 10 / 11 / 12.	£ Monthly
LCW Element	£ Monthly	New Style ESA	£ Monthly
LCWRA Element	£ Monthly	Carer's Allowance	£ Monthly
Carer Element	£ Monthly	IID. Ben.	£ Monthly
Child Element	£ Monthly	Student Income	£ Monthly
Child Element	£ Monthly	Other:	£ Monthly
Disabled Child Element (Higher)	£ Monthly	Other:	£ Monthly
Disabled Child Element (Lower)	£ Monthly	Tariff Income: £4.35 per month for any £250 between £6,000 and £16,000. Disregard any capital above £16,000 if the WTC / CTC Transitional Protection rules apply. If they do not and the person has over £16,000 in savings / capital, then they are not entitled to Universal Credit.	£ Monthly
Childcare Element	£ Monthly		
Housing Cost Element	£ Monthly		
B. TOTAL INDICATIVE UNIVERSAL CREDIT AMOUNT:	£ Monthly	C. TOTAL INDICATIVE ASSESSABLE INCOME AMOUNT:	£ Monthly

Step 3: Calculate Transitional Element

B. TOTAL INDICATIVE UNIVERSAL CREDIT AMOUNT:	£ Monthly	<p>The Transitional Element will be:</p> <ul style="list-style-type: none"> ▪ If D. TOTAL INDICATIVE UNIVERSAL CREDIT AMOUNT is greater than £nil then the amount by which A. TOTAL LEGACY AMOUNT exceeds D. TOTAL INDICATIVE UNIVERSAL CREDIT AMOUNT; or ▪ If D. TOTAL INDICATIVE UNIVERSAL CREDIT AMOUNT is £nil then the A. TOTAL LEGACY AMOUNT <u>plus</u> the amount by which the person's income (for normal Universal Credit purposes) exceeds their Maximum Universal Credit (for normal Universal Credit purposes) amount. <p>The Transitional Element is:</p> <p style="text-align: center;">£ monthly.</p> <p style="text-align: right; font-size: small;">Regulation 55(1) to (2) The Universal Credit (Transitional Provisions) Regulations 2014 / ADM M7503</p>
Less		
C. TOTAL INDICATIVE ASSESSABLE INCOME AMOUNT:	£ Monthly	
Equals		
D. TOTAL INDICATIVE UNIVERSAL CREDIT AMOUNT	£ Monthly	

Note 5: If the person (or their partner) is getting New Style ESA / Contributory ESA (or has a credits only claim) their LCW or LCWRA should be included in the Maximum Universal Credit Amount.

Note 6: If a person (or their partner) submit that they are a carer on their Universal Credit claim then the Carer Element should be included in the Maximum Universal Credit Amount even if they are not receiving Carer's Allowance.

Note 7: If a person was getting Housing Benefit but they reside in 'supported accommodation' (please see Note: 4) then do not include any Housing Cost element here.

Note 8: If the person was not getting Housing Benefit on 'migration day' then do not include any 'housing cost element'. If they should then qualify for a 'housing cost element' in their first 'assessment period' then this would not result serve to reduce / erode the 'transitional element'. This is because it would not be viewed as a change in circumstance after Universal Credit has been claimed.

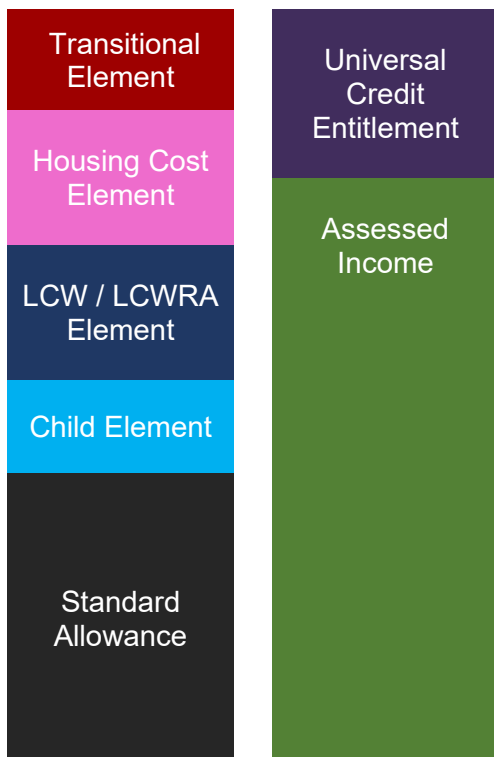
Note 9: Include a Child Element for each child / young person for whom the person received Child Tax Credit.

Note 10: If a person has 'employment income' / 'trading income' and was getting CTC / WTC then this figure will be the annual amount of any income derived from employment / self-employment provided by HMRC converted to a monthly amount by dividing by 12 and deducting amounts for income tax and NI contributions as considered appropriate.

Note 11: If the person has 'employment income' / 'trading income' and they do not get WTC / CTC and they were getting (IB)JSA / (IR)ESA / IS, then use the earned income amount used for those benefits converted into a monthly amount. If the person's only 'legacy benefit' was Housing Benefit, then use the has 'employment income' / 'trading income' amount used to calculate the person's Housing Benefit entitlement converted into a monthly amount.

Note 12: Once you have the 'employment income' / 'trading income' amount you need to apply any applicable 'work allowance' (Person has a child or LCW = £631.00 Higher: Without housing costs / £379.00 Lower: With housing costs) and the 55% taper. Only include has 'employment income' / 'trading income' after these deductions.

Note 13: It is understood that in some CTC / WTC cases the DWP have only taking into account the income details that have been provided by HMRC. The problem here is that these income figures have not accounted for non-taxable income such as student loan income, Industrial Injuries Disablement Benefit, Maternity Allowance and Severe Disablement Allowance. This has resulted in a flaw in the Indicative Universal Credit Amount calculation which works to the overall financial detriment of the person.



Note 14: If a person is entitled to the 'transitional element' then this should be included in the Maximum Universal Credit Amount when calculating how much Universal Credit the person will qualify for.

Note 15: If a person is living in 'supported accommodation' (see Note: 4) then they will not get any Housing Cost Element. The person's rent / service charges will be met by Housing Benefit.

Note 16: If a person is subject to the Benefit Cap and the total Universal Credit award (inclusive of any 'transitional element') is above the Benefit Cap (Families and couples £1,835.00 per month / Single £1,229.42 per month) then the amount of Universal Credit awarded will be capped accordingly.

Note 17: If the person was getting an award of Housing Benefit that was reduced to 50p due to the Benefit Cap then a deduction needs to be made to the Total Legacy Amount as a Benefit Cap adjustment. The amount that needs to be deducted is the difference between the person's monthly entitlement to 'welfare benefits' (meaning: the benefits that are taken into account for the purposes of the Benefit Cap - see this [LINK E5013](#)) on 'migration day' minus the amount of any childcare costs that may be included in the calculation of the Indicative Universal Credit Amount and the monthly 'relevant amount' (meaning: the level of the Benefit Cap - see this [LINK E5003](#)) then reduce the Total Legacy Amount by the excess over the 'relevant amount' the.

Note 18: If the person was not getting Housing Benefit but the Benefit Cap would apply to them then a deduction needs to be made to the Total Legacy Amount as a Benefit Cap adjustment. The amount that needs to be deducted is the difference between the person's monthly entitlement on 'migration day' to 'welfare benefits' (meaning: the benefits that are taken into account for the purposes of the Benefit Cap - see this [LINK E5013](#)) minus the amount of any childcare costs that may be included in the calculation of the Indicative Universal Credit Amount and the monthly 'relevant amount' (meaning: the level of the Benefit Cap - see this [LINK E5003](#)) then reduce the Total Legacy Amount by the excess over the 'relevant amount' the.