

Universal Credit: the transitional element

What is the transitional element?

The transitional element is an amount that may be payable to claimants who move to Universal Credit (UC) under the managed migration process. If claimants are worse off on Universal Credit than their existing legacy benefits, the UC transitional element will ensure that they don't see an immediate reduction in benefit.

Who can get a transitional element?

Transitional elements are only available to claimants who make a claim for Universal Credit under the managed migration process and not those who migrate due to a change in their circumstances (called natural migration). Claimants moving under the managed process will receive a migration notice from the DWP and will then have to make a qualifying claim within a time limit.

Who cannot get a transitional element?

Even if you are moving under the managed migration process, you will not be entitled to a transitional element if:

- you were claiming legacy benefits as part of a couple but claim UC as a single person;
- you were claiming legacy benefits as a couple and claim UC as part of a different couple; or
- you fail to make a qualifying claim to Universal Credit – eg. you fail to attend an appointment – even if you subsequently make a valid claim, the transitional element will not apply.

How much will the transitional element be?

The point of the transitional element is to ensure that you are not worse off on Universal Credit at the point of claim than you were on legacy benefits. To work this out, the DWP will compare your 'total legacy amount' to your 'indicative UC amount', and if the 'total legacy amount' is higher, you will be paid the difference.

Total legacy amount: sum of the monthly rates of all awards of legacy benefits to which a claimant or joint claimants are entitled to on migration day (subject to the benefit cap where relevant)

Indicative UC amount: the amount which a claimant would be entitled to if an award of UC were calculated on the migration day (subject to the benefit cap where relevant)

If you are entitled to a transitional element, the initial amount you receive will reduce over time. This is because after your first monthly assessment period, the figure will be eroded by increases to the other UC elements (including the annual uprating and increases in housing costs), excluding the childcare costs element.

When could a transitional element end?

Transitional elements will end in the following circumstances:

- when you claimed UC, your earnings from work were at least £355 per month for a single claimant, and £567 per month for joint claimants, but they have now dropped below this level for three consecutive monthly assessment periods;
- you originally claimed UC as a couple but become single;
- you originally claimed UC as a single person but form a couple;
- your UC award ends; you cannot get a transitional element included in a subsequent award of UC unless your previous award ends due to your earnings increasing – for this to apply, the new award of UC must start within 3 months of the previous award ending.