

The Benefit Cap

What is the Benefit Cap?

The Benefit Cap limits the amount that you can be paid if you claim certain benefits. It applies to people of working age. People of pension age are exempt.

The Benefit Cap applies to the benefits you get as a household. It includes benefits received by you, your partner and any dependent children who live with you.

Do not ignore the Benefit Cap

If you are Benefit Capped you must take action now to reduce the impact of the Benefit Cap on your housing situation and reduce the risk of you becoming homeless. It is very important that you seek advice from Housing Services on the options you should take and the help that is available. Your housing options will be very limited if you are Benefit Capped.

How the Benefit Cap is calculated

When all your benefits are calculated, your Housing Benefit or Universal Credit is reduced so your total benefits don't go above the Benefit Cap limit.

The amount of the cap depends on where you live and your family situation.

The Benefit Cap is worked out weekly if you get housing benefit and monthly if you get Universal Credit

Use the Gov.uk benefit cap calculator to see if you are affected - www.gov.uk/benefit-cap-calculator

The cap was reduced from 7 November 2016, therefore cutting the total amount of benefits you can get.

Benefit Cap limits outside London

Couple (with or without children) or a single parent: **£384.62 per week or £20,000 a year**

Single person without children or not living with your children: **£257.69 per week or £13,400 a year**

Benefit Cap limits in London

Couple (with or without children) or a single parent: **£442.31 per week or £23,000 a year**

Single person without children or not living with your children: **£296.35 per week or £15,410 a year**

Benefits included in the Cap

The Benefit Cap calculation includes these benefits:

- Housing Benefit (unless you live in supported housing)
- income support
- jobseeker's allowance
- employment and support allowance (unless you are in the support group)
- incapacity benefit
- child benefit and child tax credits
- maternity benefits and widows benefits paid by the Department for Work and Pensions
- severe disablement allowance
- Universal Credit

Benefits not included in the cap

These benefits and payments do not count towards the Benefit Cap:

- discretionary housing payment
- council tax support/reduction
- budgeting loan /advances
- one-off council crisis payments
- free school meals
- child maintenance payments
- winter fuel payments
- statutory maternity, paternity or adoption pay
- statutory sick pay

Housing Benefit for supported accommodation also does not count. This usually includes domestic abuse refuges and accommodation where tenants also get care or support.

Exemptions if you claim certain benefits

You are exempt from the Benefit Cap if you, your partner or children receive:

- disability living allowance (DLA) or the personal independence payment (PIP)
- attendance allowance (AA)
- support component of employment and support allowance (ESA)
- industrial injuries benefits
- war widows' or war widowers' pension
- carer's allowance
- carer's element of universal credit
- guardian's allowance

Go to Gov.uk to find out if you could be eligible for any of these benefits - www.gov.uk/browse/benefits

Exemptions if you are working

The Benefit Cap doesn't apply if you or your partner:

- receive working tax credits
- work enough hours to claim working tax credits

You can use the Gov.uk tax credits calculator to check if you're eligible – www.gov.uk/tax-credits-calculator

If you lose your job through no fault of your own, the benefit cap will not apply for the first 39 weeks of your claim. You must have been employed for 50 out of the last 52 weeks. If you have spent time working abroad or on zero-hours contracts this will also count.

If you receive Universal Credit, or if you or your partner are in work and your joint take-home pay is at least £520 per month, you will not be affected by the Benefit Cap.

ETHOS – Employment training housing Options Support

As part of the options to help you, Housing Services offers a specialised employment advice service called ETHOS. ETHOS can assist you, or members of your household, to get access to training, learning and employment opportunities. This includes better off at work calculations, assistance with CVs, job applications, interview techniques and work action plans, as well as a weekly job club.

If you would like to arrange an appointment please contact Nanette Chandler on 01372 732000 or 07904 908871.

Please do not ignore the Benefit Cap