

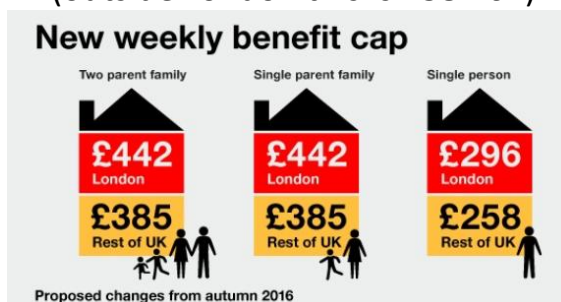


# Changes to the Benefit Cap

as at 20<sup>th</sup> January 2017

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- The government has reduced the Benefits Cap from 7<sup>th</sup> November 2016.
- In April 2013 the cap was introduced on the total amount of benefit that working-age claimants can receive, so that broadly, households on out of work benefits will no longer receive more in benefit than the average weekly wage, after Tax and National Insurance
- Existing Cap Cases were affected by further reductions in their HB entitlement from 7<sup>th</sup> November 2016 by as much as £57.69 a week.
  - Single People are now capped at £296.35 (formerly £350) per week (outside London this is £257.69)
  - Couples or Lone Parents are now capped at £442.31 (formerly £500) per week. (outside London this is £384.62)



Carers Allowance and Guardians Allowance will now be classed as benefits which exempt a household from the effects of the cap – previously they were included in the cap calculation.

- 351 Cases were being capped immediately prior to the change, under the old Cap rates.
- 728 cases are now capped following the change. This has resulted in a total £50,933 per week reduction in Housing Benefit. The total equivalent annual loss of Housing Benefit due to the Benefit Cap of all currently capped cases is **£2.65 million**.
- Requests for new Discretionary Housing Payments from claimants now facing new or larger reductions of Housing Benefit, are expected to rise. The government contribution to Haringey for DHP's this year is £1.7million.
- The phased roll-out of new cases in Haringey during the first weeks of January 2017 is now complete. 728 cases have been capped – the initial Department of Work and Pension prediction was that as many as 1200 Haringey Housing Benefit claims could be capped in total.





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- These 728 cases are affected as follows:

Tenure	Weekly HB lost	Number of claims affected
Council Tenants	£150-£200	1
	£100-£150	10
	£50-£100	32
	£30-£50	14
	£10-£30	17
	£0-£10	22
<b>Council Tenants Total</b>		<b>96</b>
Housing Association Tenants	£250-£300	1
	£200-£250	3
	£150-£200	5
	£100-£150	12
	£50-£100	30
	£30-£50	20
	£10-£30	16
	£0-£10	23
<b>Housing Association Tenants Total</b>		<b>110</b>
Private Tenants	£300+	1
	£250-£300	2
	£200-£250	8
	£150-£200	13
	£100-£150	23
	£50-£100	55
	£30-£50	90
	£10-£30	44
£0-£10	59	
<b>Private Tenants Total</b>		<b>295</b>
Temporary Accommodation Tenants	£300+	5
	£250-£300	10
	£200-£250	21
	£150-£200	24
	£100-£150	27
	£50-£100	64
	£30-£50	35
	£10-£30	33
£0-£10	8	
<b>Temporary Accommodation Tenants Total</b>		<b>227</b>

**645** of the 728 are Lone Parents

Number of claims and how many children are in their household

No children	<b>133</b>
1 child	<b>83</b>
2 children	<b>223</b>
3 children	<b>168</b>
4 children	<b>89</b>
5 children	<b>20</b>
6 children	<b>9</b>
7 children	<b>2</b>
8 children	<b>1</b>

**131** of the 728 receive Employment and Support Allowance.

Of the current capped cases seen by the Homes for Haringey Welfare Reform team, these are the stated barriers to work

Childcare	<b>115</b>
Health	<b>31</b>
Lack of Work	
Experience/Qualifications	<b>26</b>
Language	<b>15</b>
Caring for a Family member	<b>2</b>

146 Capped cases currently receive a Discretionary Housing Payment totalling nearly £21,500 per week. The average current weekly DHP award is **£146.68**.

