

DCC Welfare Rights

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History

- Benefit Cap was introduced in 2013
- The Cap sets a limit on the total amount in benefits that most working-age people can claim.
- Up to now 45% of households affected by the cap have been in London.
- Those who exceed the cap receive a cut to Housing Benefit.
- The measure was expected to save £405m a year by 31/3/16

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Policy Aim

- Further improve work incentives for those on benefits
- Promote even greater fairness between those on out of work benefits and tax payers in employment
- Further reduce benefit expenditure and continue to help tackle the financial deficit.

Current Benefit Cap Rules

- The total amount you can currently claim in benefits is:
- £500 per week for single parents and couples with children
- £350 per week for single people
- The cap applies to the benefits you get as a household. This means that benefits received by you, your partner and dependent children who live with you, are all included.
- Your housing benefit or universal credit will be reduced to ensure that you don't get more than the benefit cap limit.

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Benefits included in the Cap

- 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
- guardian's allowance
- carer's allowance
- maternity benefits and widows benefits paid by the Department for Work and Pensions
- severe disablement allowance
- universal credit

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These benefits and payments don't count towards the cap:

- discretionary housing payments
- 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. This usually includes domestic violence refuges and accommodation where tenants also get care or support

Who Is Exempt?

- Families who receive working tax credits or who work enough hours to claim working tax credits are exempt.
- If you have been employed continuously for 12 months and you lose your job through no fault of your own, the benefit cap won't apply to you for the first 39 weeks of your claim.
- You are also exempt if you or your family receive:
 - disability living allowance or the personal independence payment
 - attendance allowance
 - support component of employment and support allowance
 - industrial injuries benefits
- The cap doesn't apply if you are of pension age or you receive war widows' or war widowers' pension.
- If you claim universal credit, you won't be affected if you have an in-work exemption.

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New Benefit Cap Rules

- The government has announced reductions to the benefit cap. These changes will take effect in autumn 2016.
- The total amount a household will be able to claim in benefits is:
 - £442.31 a week in London
 - £384.62 a week outside London
- The total amount a single person will be able to claim in benefits is:
 - £296.35 a week in London
 - £257.69 a week outside London

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New Exemptions

- From November 2017 people who receive Carers Allowance, the carer element of Universal Credit, or Guardian's Allowance will also be exempt from the cap.

When Will This Happen?

- Letters from the DWP are going out to those households affected- over 600 in County Durham
- People are being initially advised to contact DWP National Helpline where they will be given appointments at local Job Centres
- Once the initial phase is over the Council will be contacting residents to offer help and support
- Support and information materials will be available to partner agencies
- Carers who are affected by the Cap should always seek advice before taking any action

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