

Housing Benefit

General Information Bulletin

Department for Work and Pensions, Ground Floor, Caxton House, Tothill Street,
London SW1 9NA

gov.uk/government/organisations/department-for-work-pensions

ISSN 2054-2836 (Online)

HB G9/2016

21 September 2016

Contact	Queries about the <ul style="list-style-type: none">• technical content of this bulletin, contact details are given at the end of each article• distribution of this bulletin, contact housing.correspondenceandpqs@dwp.gsi.gov.uk
Who should read	All Housing Benefit (HB) staff
Action	For information

Contents

paragraph

Implementation of the benefit cap changes	1
Real Time Information Bulk Data Matching and Optional RTI update	21
Student uprating 2016/17	32
HB Fraud and Error Good Practice Workshops – Summary of syndicate exercises and Q&A.....	36
Pensions Directorate: Centralisation of processes	39
Disability Living Allowance ‘DLA is ending’ leaflet	45
Further LA Subsidy Workshops	48
Reminder to LAs: Civil Penalties provisions	53
Reminder to report Discretionary Housing Payments mid-year monitoring returns 2016/17	78
Cases with the Upper Tribunal	80
Statutory Instruments	83
What’s new on the web	86
Local authority Frequently Asked Questions	Annex A

Crown Copyright 2016

Recipients may freely reproduce this bulletin.

Implementation of the benefit cap changes

1. The Summer Budget 2015 announced changes to the level of the benefit cap so that households will no longer be entitled to receive more than £20,000 in benefit nationally (£13,400 for single adults with no children) or £23,000 (£15,410 for single adults with no children) in Greater London, which is defined as the 32 London boroughs and the City of London.
2. As you are aware the new regulations to support this Welfare Reform legislate that the changes to the benefit cap levels will come in to force from the 7 November 2016. The Department for Work and Pensions (DWP) will be writing to potentially affected claimants from 19 to 30 September 2016, to inform them they may be subject to the cap. Universal Credit claimants will be notified separately, either face to face, by letter or online.
3. A Housing Benefit (HB) Circular will be issued in due course and contain revised guidance for administration of the benefit cap changes.
4. In the meantime this article provides an overview of the following:
 - new exemptions to the benefit cap applicable from 7 November 2016
 - administration procedures that will apply to currently capped claims, including Universal Credit claims
 - the procedure that will apply to claims that are not currently capped, including Universal Credit claims

New exemptions from the benefit cap

5. The Welfare Reform and Work Act (2016) includes two new exemptions from the benefit cap. These are:
 - all carers entitled to Carer's Allowance (CA,) or payments towards carers costs in Universal Credit will be exempt from the benefit cap, whether living with the cared for person or not
 - all those entitled to Guardian's Allowance (GA) will be exempt from the benefit cap
6. All other benefit cap exemptions remain unchanged.
7. On the 7 November 2016 any existing capped claims, where there is an entitlement to CA or GA, will have the benefit cap removed.
8. DWP will process the changes for these capped claims and notify local authorities (LAs) via the Automated Transfer to Local Authority Systems (ATLAS) to remove an existing cap to HB.
9. Existing capped claimants who are likely to have the cap removed, due to CA or GA, will be informed by letter.

Applying the new cap levels for current capped cases

10. Households that are already capped using the £350/£500 per week cap levels will be re-assessed against the lower cap levels. The lower cap levels will mean for many a further reduction to HB.
11. The assessment will be undertaken automatically using the current data held by DWP and LA systems, but with the inclusion of the lower cap level figure in the calculation. All existing capped households will have the new cap levels applied at the same time.
12. An ATLAS bulk update file will be made available to convert the existing capped claims. The file will need to be uploaded to LA IT systems to enable the data to be processed and the cap to be re-assessed for 7 November 2016.
13. Specific detailed instructions will be provided in the LA IT release notes. These notes will include detail of the action to be taken by LAs to share the reports created by completion of the automatic re-assessment.

New cap levels for new claims

14. Regulations that cover the benefit cap changes come into force from 7 November 2016. This means that the new cap levels must be used in all new cap calculations from this date.
15. As per existing benefit cap processes, DWP will undertake a manual check of benefit awards and exemptions. This is expected to be completed during a 12 week period commencing from the 7 November 2016 and completing by the end of January 2017. All Universal Credit claimants are to be reassessed by the end of January 2017.
16. Following consultation with LAs the agreed implementation order will be 'low to high', i.e. those LAs with the lowest volume of new claims will be processed at the beginning of the 12 week period. The LAs with the highest volumes will be processed at the end of the 12 week period.
17. As per existing processes, LAs will continue to receive their ATLAS file and apply cap notifications for claims assessed by DWP and these should be applied from the Monday following notification.
18. DWP has written to all LA Chief Executives and Revenues and Benefits Managers to notify them when DWP expects to process their claims.

Further information

19. Frequently Asked Questions are included at Annex A for your information.
20. If you have any queries regarding this article please email the Benefit Cap Changes Project at la-benefitcap.changesnational@dwp.gsi.gov.uk

Real Time Information Bulk Data Matching and Optional RTI Update

21. Some LAs have raised concerns about Real Time Information Bulk Data Matching (RTI BDM) and Optional RTI; specifically around automation of Optional RTI, the Single Housing Benefit Extract (SHBE) and subsidy. This has highlighted the need to provide some further clarification and improve understanding.

Optional RTI

Why is it not an automated process?

22. Optional RTI is currently a clerical initiative to support LAs (who have opted in) so that they action as many cases as possible. We are looking at options for automation but a number of things have to be considered, particularly:

- the rollout schedule for Wider Use of RTI (WuRTI), which will replace RTI BDM and Optional RTI
- funding for automation. Gaining agreement will be difficult until the rollout of WuRTI is complete as costs for automation are high.

23. It is important to note that if automated workarounds are put in place by LAs it is done so at their own risk.

24. We would again also advise LAs to action as many optional RTI cases as possible. They are of high value, with cases being ranked to allow LAs to select the cases with the best prospects.

SHBE management information (MI)

25. We would like to take this opportunity to clarify the information concerning SHBE MI in Circular HB [A5/2016](#) as it could easily be misinterpreted. There is no requirement for LAs to record T and R records for SHBE for Optional RTI. We can confirm that only D records are needed to assess Optional RTI.

26. However it is important that the optional RTI changes are recorded as 'proactive' as this is one of the measures being used to assess HB Fraud and Error (F&E) performance in LAs. LAs should, if possible, manually record the source of change as an 'LA intervention review'.

Subsidy implications

27. Subsidy arrangements for Optional RTI are identical to those for RTI BDM. In other words, there is a four-week easement which commences from the point the file is transferred into the LA IT system and is available for administration by HB staff. Please refer to Circular HB [A5/2016](#) for examples of how the subsidy easement works in practice.

28. If an LA does not transfer a case from the Optional RTI file into the LA IT system, there is no subsidy implication.

Thresholds on mandatory RTI BDM cases

29. We are aware that during May and June 2016 a corruption occurred within the IT system regarding the disregards/tolerances. This affected some earnings or National State Pension values. This resulted in low value (below threshold) changes being reported.
30. This issue was rectified in time for the issue of the July RTI files. However due to a system update within DWP a software problem occurred delaying the delivery of those files. LAs were kept updated on progress via Glasscubes and all files were issued between 29 July and 1 August 2016.
31. Should you need any further information or support please contact la-sst.hdd@dwp.gsi.gov.uk.

Student uprating 2016/17

Disregards for travel, books and equipment

32. The rates for the travel grant disregard and the books and equipment disregard have been frozen since 2010 and are again this year. For the academic year 2016/17 the disregard rates will remain at £303 in respect of travel and £390 in respect of books and equipment.

Loans, grants and tuition fees

33. From the 2016/17 academic year grants have been abolished for new students, who can only apply for a tuition loan and a maintenance loan. Existing students can still apply for a maintenance grant as well as a tuition loan and a maintenance loan.
34. You can find more details about the financial support available to new students and existing [student finance loans and grants](#) and [student finance for existing students](#) on GOV.UK.
35. For further information on student uprating please contact housing.benefitenquiries@dwp.gsi.gov.uk

HB Fraud and Error Good Practice Workshops: Summary of syndicate exercises and Q&A

36. One of the most valued features of the workshops was the syndicate exercises. These encouraged LA networking to share ideas on the management of the Fraud and Error Reduction Incentive Scheme (FERIS) and overpayment activities. A summary of the syndicate discussions is now available via Glasscubes. Also included in the summary are collated LA FERIS Maintenance Fund 2016/17 activities.
37. A large number of questions were raised at the workshops. These have been researched and answers provided to the respective workshops. A selection of these questions with a general interest to all LAs is also available on

Glasscubes with an Automated Transfer to Local Authorities Systems (ATLAS) Automation factsheet.

38. Thanks again to all of you who attended the workshops and if you have any further queries, please contact hamish.j.robertson@dwp.gsi.gov.uk.

Pensions Directorate: Centralisation of processes

39. DWPs' Pensions Directorate is embarking on an ambitious programme of change which will introduce a Standard Operating Model for the management of notified changes across its network of Pension Centres.
40. As you will appreciate this work will be complex both in size and requirement and, as such, needs to be introduced in a structured and controlled way. In order to ensure there is no compromise to customer service and to manage the introduction it has been agreed to adopt a phased approach. One of the elements of this phased approach will impact LAs.
41. Regional Pension Centres, generally through Pension Centre Liaison Officers (PCLOs) have developed close working relationships with the majority of HB teams within your LAs. They have utilised these contacts where there is a need to confirm or secure an up to date address for customers whose post has been returned marked 'addressee gone away'. The sharing of specified personal information being permitted under the Social Security Administration Act 1992 (sections 109B/C 110A & 112D).
42. As part of the phased approach all such 'Dead Letter Office' (DLO) work will be centralised within our Cwmbran Pension Centre from September 2016. As a consequence we need to alert our colleagues across the LA HB network that future requests will primarily be generated by the team set up in Cwmbran. We are looking to provide Cwmbran with a national Contact Template, similar to that employed by a number of PCLOs, so that the process for HB teams remains fundamentally unchanged; apart from the origin of the request.
43. The longer term aim for this element of the programme of change is to develop a consistent and efficient process that will provide benefits for both DWP and our LA partners. As the DLO activity progresses we will look to maintain our engagement with LAs by sharing and presenting any future operating proposals.
44. Should you have any queries about the revised approach outlined above could you please direct them to Cwmbran.dlopod@dwp.gsi.gov.uk

Disability Living Allowance 'DLA is ending' leaflet

45. Do you need help explaining changes to Disability Living Allowance (DLA) to claimants? You can order printed copies of the 'DLA is ending' leaflet free of charge up to a maximum of 10 packs of 25 leaflets (total of 250).
46. You should email ion-pass@xerox.com to order leaflets. Please put 'DLA/PIP leaflet order' in the email subject box and provide the following details:

- recipient's name
- organisation
- delivery address
- a contact telephone number
- number of English leaflet packs required (code DLA/PIP 01)
- number of Welsh leaflet packs required (code DLA/PIP 01W)

47. The [leaflet](#) can also be viewed on the PIP Stakeholder toolkit on GOV.UK.

Further LA Subsidy Workshops

48. Given the success of the LA Subsidy Workshops held in 2014/15 and 2015/16, and in response to LA requests, we are considering holding a series of workshops in 2016/17. Locations are yet to be decided but it is our intention to have as wide a geographical spread as possible.

49. In light of suggestions made by a number of LAs during the 2015/16 workshops, we are proposing to hold two types of workshop in 2016/17; one for 'LA staff new to subsidy' and one for 'LA staff more experienced in subsidy'.

Workshops for LA staff new to subsidy

50. These workshops will provide an introduction to subsidy, focusing on:

- arrangements for claiming and payment of subsidy
- applicable deadlines
- the mechanics of the final subsidy claim form
- the responsibilities of LAs (including the completion and oversight of subsidy forms), DWP and auditors
- an overview of certification arrangements.

Workshops for LA staff more experienced in subsidy

51. It is intended that these workshops will focus primarily on certification issues. We recognise, however, that the workshops in 2014/15 and 2015/16 gave considerable coverage to the certification process. Therefore, we are keen to address specific subsidy/certification issues which have not been dealt with previously.

52. If you would like to attend one of these workshops please email michael.mina@dwp.gsi.gov.uk with your 'expression of interest' and state clearly which workshop you would like to attend. Additionally, if you are expressing an interest in the 'Workshops for LA staff more experienced in subsidy' we would be grateful if you could also suggest specific subjects/issues which you would like to discuss.

Reminder to LAs: Civil Penalty provisions

53. This reminder is aimed at LAs who would like to know more information about Civil Penalties in cases of claimant error and what to consider before deciding whether to implement them.
54. Civil Penalties have been in place in DWP since 1 October 2012.
55. LAs may choose to implement Civil Penalties at any time and may wish to follow advice and guidance provided by DWP. Whilst there is no requirement for LAs to implement Civil Penalties they can help tackle claimant error.

Background

56. The Social Security (Civil Penalty) Regulations 2012 (SI 2012/190) and the Welfare Reform Act 2012, section 116, amended the Social Security Administration Act 1992 to insert sections 115C and 115D to introduce Civil Penalties in cases of claimant error from 1 October 2012.
57. LAs administering HB also have permissive power, which allows them to impose Civil Penalties in the same circumstances as DWP.
58. The Civil Penalty is a flat penalty of £50, set by legislation. It may be given to claimants who incur an overpayment caused by either negligently making incorrect statements or negligently giving incorrect information and failing to take reasonable steps to correct the error, or failing, without reasonable excuse, to provide information or to disclose relevant changes in their circumstances.
59. The penalty is only for cases of claimant error.
60. If the claimant is charged with an offence, cautioned for a fraud or offered an Administrative Penalty they cannot be considered for a Civil Penalty.
61. The Civil Penalty applies only to cases where the overpayment period falls wholly after the commencement of the provisions (1 October 2012).
62. Each instance of claimant error identified needs to be considered individually before determining that a claimant has been negligent or there is no reasonable excuse to account for their failings.
63. This means that for cases of claimant error where the claimant has been negligent or failed to report changes of circumstances when they knew they should have and have no reasonable excuse there is now:
 - recovery of the overpayment
 - a Civil Penalty of £50 imposed but with
 - a right of appeal against the decision including the decision to impose the Civil Penalty.
64. In cases where the decision maker for the appropriate authority (Secretary of State or an LA) satisfies themselves that an overpayment has arisen as a result of the claimant's culpable failure or negligence, they may impose a Civil Penalty as well as recovery of the overpayment.

65. The penalty is added to the overpayment total and notified at the same time to the claimant and recoverable by the same means.
66. Where an appeal against an overpayment decision results in there being no overpayment then the associated Civil Penalty will no longer apply and any monies already recovered of the Civil Penalty and overpayment are repaid.
67. Where the appeal is against the Civil Penalty only, and it is decided no grounds for the Civil Penalty exist, the penalty will no longer apply and any monies already recovered of the Civil Penalty are repaid.
68. The aim of the £50 Civil Penalty is to deter claimants from negligent behaviour in the future and increase their personal responsibility for keeping claims correct.

Implementation

69. DWP has been effectively using Civil Penalties, where appropriate, in cases of claimant error since October 2012. As there is no statutory requirement for LAs to implement Civil Penalties it is up to the LA how to organise/resource for implementation if they choose to apply Civil Penalties. LAs should be aware that they can retain any receipts from Civil Penalties.

Guidance

70. Although DWP continuously update available guidance, such as the [HB overpayments guide](#), LAs should identify and update their own products aimed at claimants and staff.

Learning and Development

71. A DWP Learning and Development (L&D) product is available for use by LAs by emailing fed.policyfeedback@dwp.gsi.gov.uk. This can be adapted by individual LA's to ensure it is fit for purpose and appropriately reflects the delivery approach being adopted. This product will not be maintained by DWP.
72. The L&D product does not cover IT specific training. If IT changes are made to existing systems the LA is responsible for developing material to cover these changes.
73. It is the responsibility of the LA to develop a training plan that includes securing location for training, identifying a trainer and sending out invites.

IT systems

74. If any changes are required to LA IT systems to support the delivery of and application/collection of these new penalties, it is the responsibility of the LA to arrange this with their appropriate software suppliers/IT department.
75. If a clerical process is the preferred and suitable option, this decision lies with the LA.
76. We welcome views or feedback from any LAs that are using Civil Penalties and for you to share your experiences or good practice with others.

77. If you do have any views/feedback or have any general questions regarding this article please email fed.policyfeedback@dwp.gsi.gov.uk.

Reminder to report Discretionary Housing Payment mid-year monitoring returns 2016/17

78. As originally requested in Bulletin [G8/2016](#), this is a further reminder for LAs to report on their Discretionary Housing Payment (DHP) expenditure 1 April 2016 to 30 September 2016.

79. You should complete and return the form which can be found [here](#) by 14 October 2016. Returns and any queries regarding the form should be sent to dhp.monitoringinbox@dwp.gsi.gov.uk

Cases with the Upper Tribunal

HB/CTB decisions by the Upper Tribunal

80. Decision Making and Appeals Leeds is aware of the following HB cases that have been decided by the Upper Tribunal:

- CH/114/2016: Claimant imprisoned. Tribunal failed to apply correct test of whether absence likely to exceed 13 weeks.
- CSH/43/2016: HB Overpayment (OP), appeal dismissed. OP due to LA making an official error, OP recoverable from the housing association under provisions of regulations 99 to 107 in Part 13 of the Regulations.

81. Decisions of the Upper Tribunal are published on their website which can be found [here](#).

82. If you have any queries about cases before the Upper Tribunal Judges or courts, you can contact us by email at fldmdma.customersupportservices@dwp.gsi.gov.uk or fax on 0113 2324841.

Statutory Instruments

83. The following Statutory Instruments (SIs) have been laid:

- 2016 No.876, The Social Fund Cold Weather Payments (General) (Amendment) Regulations 2016, coming into force 1 November 2016
- 2016 No.909, The Benefit Cap (HB and Universal Credit) (Amendment) Regulations 2016, coming into force 7 November 2016
- 2016 No.910, (C.64), The Welfare Reform and Work Act 2016 (Commencement No. 3) Regulations 2016, coming into force 7 November 2016

- 2016 No.931, The Pensions Act 2014 (Consequential Amendments) Order 2016, coming into force 16 September 2016

84. The following Statutory Rules (SRs) of Northern Ireland have been laid:

- 2016 No. 325 (C. 22), The Welfare Reform (Northern Ireland) Order 2015 (Commencement No. 5) Order 2016, came into force 9 September 2016
- 2016 No.326, The HB (Amendment No. 2) Regulations (Northern Ireland) 2016, coming into operation from 14 September 2016

85. Copies of SIs can now be downloaded from DWP's own website

<http://www.dwp.gov.uk/publications/specialist-guides/law-volumes/the-law-relating-to-social-security/> and the website of the Office of Publication Sector Information <http://www.opsi.gov.uk/stat.htm>

What's new on the web

86. The following items can be found on the website link shown

Document Type	Subject	Link
HB G8/2016	Amendment to Circular HB A7/2016 Discretionary Housing Payments mid-year monitoring return 2016/17 Benefit cap changes – process for LAs receiving scans Universal Credit and DHPs HB Fraud and Error Good Practice Workshops Amendments to Regulations Temporary accommodation management fee subsidy payment Cases with the Upper	https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/546659/g8-2016.pdf

	<p>Tribunal</p> <p>Statutory Instruments</p> <p>What's new on the web</p> <p>DHP Monitoring form issued as a separate Appendix A</p>	
<p>HB Direct issue 170 Sept 2016</p>	<p>Editorial</p> <p>Performance Measurement Reviews process</p> <p>Further LA Subsidy Workshops</p> <p>Reminder for LAs to report Discretionary Housing Payment mid-year monitoring returns 2016/17</p> <p>Secondment Opportunity: DWP Housing Delivery Division</p> <p>Certification of HB subsidy claims</p> <p>DWP and LA consultation groups minutes</p> <p>Continuing our focus on Fraud and Error</p> <p>Housing Benefit communications products</p>	<p>https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/550322/hb-direct-sept-170.pdf</p>
<p>Circular HB A8/2016</p>	<p>The Secondary Annuities Market and Housing Benefit</p>	<p>https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/554024/a8-2016.pdf</p>

Annex A

Local authority Frequently Asked Questions

Q1. Can unused Discretionary Housing Payments (DHPs) be rolled over to 2017/18?

No. When considering the allocation methodology for the 2016/17 benefit cap 'proportion' of the total DHP government contribution, the Department for Work and Pensions (DWP) recognised the uncertainties in the prospective rollout schedule. Consequently we considered that, even with this uncertainty, it was reasonable to allow funds to be available to local authorities (LAs) in advance of the change in order to support claimants to mitigate any impact by, for example, helping them move to less expensive accommodation; and, as such, preventing a claimant suffering any shortfall in rent. As we have already given claimants (and LAs) advance notice of the possible impact of the new benefit cap, any underspends relating to benefit cap proportion of the DHP government contribution cannot be carried forward to 2017/18.

Q2. Have the impacts for homelessness been considered as a result of the capping?

An evaluation of the benefit cap outcomes carried out in 2014 found very little, if any, impact on homelessness as a direct result of the cap. The small numbers of capped households who have been evicted were noted by LAs as having other reasons beyond the cap for rent arrears and also failing to engage with relevant services; and were considered intentionally homeless.

Q3. Why is Universal Credit not planning to provide LAs with scans for those customers who may be capped?

Universal Credit live service is working on a solution to provide LAs with the volumes of claims to be capped by postcode.

Q4. Is additional funding included in the Universal Credit Delivery Partnership Agreement (DPA) for those customers who will require benefit cap changes budgeting advice?

Part of the New Burdens payment covers payment for providing support as well as administrative activity. This is explained in Circular HB [S8/2016](#) and has been shared with the Local Authority Associations Steering Group.

Q5. Who will be responsible for having conversations with private landlords as the council do not administer Universal Credit housing costs?

The claimant is responsible for notifying DWP of any changes in circumstance and to pay their rent. If their Universal Credit is not enough to cover their rent, the claimant needs to speak to their landlord so they can discuss options. DWP work coaches will refer claimants to the LAs for budgeting advice and/or claiming a DHPs.

Q6. Who will be responsible for explaining benefit cap changes to partners such as Citizens Advice?

District Managers through their local Partnership Managers are responsible for engaging with local stakeholder groups, including Citizens Advice, and providing them with information and support regarding benefit cap changes. Additionally Citizen Advice, at a national level, is part of the Operational Stakeholder Engagement Forum. Through this forum Citizen Advice and other stakeholders will have access to updates and detailed information regarding benefit cap changes, as well as providing them with an environment to articulate any questions or concerns.

Q7. If a London borough has properties outside of London, can the LA decide which benefit cap rate to apply (in or out of London)?

No. Claimants rehoused outside of the 32 London boroughs would have the £20,000 (couples) and £13,400 (single adults with no children) cap applied. Moving into one of the London boroughs from outside would change the cap from £20,000 to £23,000 and £15,410 (for single adults with no children).

Q8. What is the data sharing position with LAs sharing the information from their scans with Registered Social Landlords (RSLs) and housing associations?

DWP shares customer information securely with LAs under existing Data Protection protocols. Once the information is with an LA they become the owner of that information and their existing data share arrangements apply in line with the Data Protection Act. For example the scan in its entirety should not be shared but as the information owner the LA will have its own data sharing policies in place to securely share information for individual tenants with RSLs, housing associations and private landlords.

Q9. When will the New Burdens circular and funding details for the new benefit cap levels be made available to LAs?

Additional funding intended to meet New Burdens incurred by LAs in supporting the benefit cap changes have been agreed for 2016/17. The funding has largely been based on what was originally in place and has been discussed with the Local Authority Associations Steering Group. Further details, including a breakdown for each LA, can be found within the Subsidy Circular HB [S8/2016](#) which was issued on 6 July 2016 and payments have now been processed and allocated to individual LAs.

Q10. Are claimants living in Supported Exempt Accommodation (SEA) exempt from the benefit cap and why are they shown on the scan?

Claimants in SEA have their Housing Benefit (HB) amount disregarded in the calculation for the cap but are not exempt from the benefit cap. If the amount of benefit left is over the cap level the case goes forward to the Benefit Cap Application System (BCAS), who notify via the LA IT system that it should be capped. The LA then checks and applies the cap and notifies the claimant. In SEA cases where the total amount of benefits minus the HB is below the cap level, they should not have been included on the scan. The Single Housing Benefit Extract (SHBE) data is extracted over a four week period from all 380 LAs

and, in these cases, may have had the marker set after the SHBE data had been transferred.

Q11. When will a further scan be sent to LAs?

In early September 2016 a further scan of the relevant systems was run to identify those who may be impacted and was sent to nominated LA contacts. In addition we will be notifying customers who will potentially be impacted by the change. This further notification will include a bandwidth figure which will indicate how much the claimant's benefit may be reduced by each week. A copy of the letter has been shared with LAs prior to the direct mail exercise taking place.

Q12. Is it correct that a Universal Credit claimant who has benefit cap applied loses the whole housing costs plus personal element if the applicable amount exceeds the housing costs?

LA guidance states a claimant must retain 50p per week of HB costs. Universal Credit claimants do not need to retain an amount in order to access DHP support. The benefit cap is applied to the Universal Credit award as a whole not a specific element. A capped Universal Credit claimant can apply for a DHP as long as their Universal Credit award includes housing costs. There is no need for some of those costs (or a de-minimis amount) to be left 'payable'.

Q13. When a claimant has a variable income (for example zero hours contract) how would the cap apply and could it be applied retrospectively?

The benefit cap is based on the information taken from the claimants benefit assessment at the time the cap is calculated. If the claimant's income changes by the time the next data scan is received and this indicates a change of circumstances which would decrease the amount of the cap applied to the claim, then the cap is reduced from the date of that change of circumstance. If the claimant's cap should be increased it is not applied retrospectively but from the Monday following the date of notification to the LA. For Universal Credit the process is slightly different as the claimant's circumstances at the end of their assessment period (AP), together with earnings received in that AP, are used to determine the amount of Universal Credit due and level of cap that applies.

Q14. Why are there cases which currently have the cap applied but which are not included in the recent scan? As they are currently being restricted to £26,000, is it reasonable to assume that they would also be affected by the decrease to £20,000?

The scans are based on a 'date snapshot' of several data sources, one or more of which could indicate that the household is exempt from the cap (e.g. because the claimant has started work or has been awarded Personal Independence Payment. Where this situation applies, the records would not be included in the scan. Please be aware that any cases that are awarded Carer's Allowance or Guardian's Allowance will be removed to reflect the exemptions that will be introduced later this year.

Q15. What does DWP mean when they refer to a household?

For the purposes of the benefit cap, a household is:

- a single adult or a couple, and
- any child or qualifying young person that they are responsible for.

This does not include anyone over the age of 18 who normally lives as part of the family. We call these a non-dependant.

Q16. What support will be available for those likely to be double capped?

Double capped claimants are those who moved as a result of the current benefit cap and believe that they may need to move again as a result of these changes. We have identified further work coach support for these claimants; which includes being offered a full diagnostic 40 minute voluntary intervention with a work coach. Work coaches will fully review the claimant's domestic and work circumstances to establish where additional support is required to move them closer to work or in a position to increase their working hours and become exempt from the benefit cap. The review will also help identify any issues, such as a lack of basic skills, to ensure that the correct support is offered. Additionally, work coaches will use their local knowledge and contacts to arrange suitable training and work experience where needed.

Q17. What support will be available for those with managed payments to the landlord?

The Universal Credit notifications ask the claimant to speak to their work coach if they have a managed payment to the landlord (MPTL) in place so that the work coach can explain how the benefit cap interacts with the MPTL. In some cases this discussion may lead to the claimant asking for the MPTL to be stopped by DWP, so that they can apply for a DHP. If the claimant chooses to do so, the direct payment to the landlord can be reinstated (the landlord cannot ask for the MPTL to be replaced unless the benefit cap no longer applies).

Q18. How can LAs or Devolved Administrations access further details regarding these changes?

First contact your Jobcentre Plus District Manager. They may put you in contact with the project or you can contact the project directly at la-benefitcap.changesnational@dwp.gsi.gov.uk