

Benefit cap – number of households capped across phased area Local Authorities data to June 2013

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Background

The Government has introduced a cap on the total amount of benefit that working-age households can receive so that, broadly, households on out-of-work benefits will no longer receive more in welfare payments than the average weekly wage for working households. If affected, a household's Housing Benefit entitlement will be reduced so that the total amount of benefit received is no longer higher than the cap level.

The benefit cap applied from 15 April 2013 in Bromley, Croydon, Enfield and Haringey Local Authorities. Remaining Local Authorities are applying the cap between 15 July 2013 and the end of September. As such all households identified as being appropriate to be capped will, in line with existing plans, have been capped by the end of September 2013.

The cap applies to the combined income from benefits including:

- the main out-of-work benefits (Jobseeker's Allowance, Income Support, and Employment and Support Allowance except when the Support Component is in payment);
- Housing Benefit;
- Child Benefit
- Child Tax Credit; and
- other benefits such as Carer's Allowance.

One-off payments, for example, Social Fund Loans and non-cash benefits, such as Free School Meals, are not included in the assessment of benefit income.

Households which include someone who is entitled to **Working Tax Credit (WTC)** are **excluded from the cap**. This should increase the incentive for people to find employment because once they are in receipt of WTC their benefits will no longer be subject to the cap.

All households with someone, including a child, with a current award of Disability Living Allowance, Personal Independence Payment or Attendance Allowance, or receiving the support component of Employment and Support Allowance or Industrial Injuries Benefits (and those receiving War Disablement Pension and the equivalent payments from the Armed Forces Compensation Payments Scheme) are **exempt from the benefit cap**. This is in recognition of the extra costs disability can bring.

The **exemption** is also extended to households which include a member who is in receipt of War Widow's and War Widower's Pension. This is in line with the Government's commitment to offer special treatment to those who are serving or who have served in the Armed Forces, and to their dependants, in order to avoid disadvantage and recognise sacrifice for those seriously injured or killed.

The cap only applies to people of working age so income from **State Pension Credit** will not count towards the cap.

Households with a member who is entitled to Working Tax Credit are also exempt from the benefit cap.

Methodology

Data Source

Data from the Single Housing Benefit Extract (SHBE) data has been used to produce this analysis. SHBE is a monthly electronic scan of claimant level data direct from Local Authority computer systems. It has been designed to provide sufficient information for all current and future statistical purposes and is now the single source of Housing Benefit data. From April a Benefit Cap marker was added to SHBE which indicated that the Housing Benefit of a household had been capped. This marker is central to the production of this analysis.

NOTE: Since the last publication changes have been applied to the method used to randomly adjust figures to maintain confidentiality. For this reason, some figures may not match previous published figures.

Definition of a household

For the purposes of this analysis, **a household is defined as one or two adults (living together as a couple) plus any dependent children they are living with.** This differs from the Office of National Statistics (ONS) who define a household as one person alone; or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area.

Identification of capped households

Over time, households will be both newly capped – and will cease to be capped (for a variety of reasons). The data in the Results section shows both **snapshot** (the number of capped households at a point in time) and **cumulative** (the number of capped households since the introduction of the benefit cap). The difference between these two figures relates to households flowing off the cap.

Results

Key findings

Since the introduction of the benefit cap on 15th April 2013 to the end of June 2013:

- Across the 4 phased area LAs, almost 2.9 thousand households in total had their housing benefit capped.
- 6% of households were in Bromley, 20% in Croydon, 48% in Enfield and 26% in Haringey.

At the end of June 2013:

- Across the 4 phased area LAs, almost 2.7 thousand households had their housing benefit capped.
- 7% of households were in Bromley, 20% in Croydon, 47% in Enfield and 26% in Haringey.
- 85% of households had between 1 and 4 children,
- 74% of households constituted a single parent with child dependents.
- 69% of households were capped by £100 or less.

Section 1- Cumulative total number of households capped and caseload time series

The cumulative count (the number of capped households since the introduction of the benefit cap – Table 1.1) is based on the lead claimant. The addition or loss of a partner within a household would not be counted as an additional benefit cap case where the lead claimant remains the same. The caseload time series (Table 1.2) reflects the number of households subject to the benefit cap at that particular point in time (end of month).

A household under the cap moving into a different Local Authority (and still subject to the cap) would be reflected in the appropriate Local Authorities count as at that time point but not as an additional case to the cumulative count.

Table 1.1- Cumulative total number of households with housing benefit capped since the introduction of the benefit cap on 15 April 2013 and the end of June 2013 in each Local Authority

	Local Authority				Total
	Bromley	Croydon	Enfield	Haringey	
Cumulative total	185	574	1,385	759	2,899

Source: DWP IGS Directorate 100% Single Housing Benefit Extract (SHBE)

Notes

1. Cells in this table have been randomly adjusted to avoid the release of confidential data. For this reason, individual cells may not sum to totals.

Table 1.2 – Caseload time series- households capped April 2013 to June 2013

Month	Local Authority				Total
	Bromley	Croydon	Enfield	Haringey	
April 2013	60	78	157	102	396
May 2013	149	479	1,168	639	2,432
June 2013	177	523	1,255	702	2,658

Source: DWP IGS Directorate 100% Single Housing Benefit Extract (SHBE)

Notes

1. Cells in this table have been randomly adjusted to avoid the release of confidential data. For this reason, individual cells may not sum to totals.

Section 2- Households capped at the end of June 2013

Table 2.1- Number of households capped in each Local Authority as at end of June 2013

		Local Authority				Total
		Bromley	Croydon	Enfield	Haringey	
Number of capped households		177	523	1,255	702	2,658
Amount Capped (£ per week)	Up to £50	97	258	444	233	1,037
	£50.01 to £100	40	112	433	216	796
	£100.01 to £150	25	88	173	108	390
	£150.01 to £200	10	33	98	60	202
	£200.01 to £250	7	21	58	38	119
	£250.01 to £300	0	10	18	17	51
	£300.01 to £350	0	0	18	16	33
	£350.01 to £400	0	0	16	12	33
	£400.01 and above	0	0	0	0	0
Number of children	0	0	5	24	44	71
	1	5	9	63	47	115
	2	13	37	287	158	502
	3	75	225	555	254	1,111
	4	53	146	204	121	524
	5 and above	33	100	123	86	337
Household type	Single, no child dependent	0	5	16	38	64
	Single, with child dependent(s)	123	408	952	492	1,971
	Couple, no child dependent	0	0	7	0	7
	Couple, with child dependent(s)	59	107	284	169	613

Source: DWP IGS Directorate 100% Single Housing Benefit Extract (SHBE)

Notes

0 denotes a nil or negligible number of claimants.

1. Extract date for Bromley and Enfield was 26th of June and extract date for Croydon and Haringey was the 27th of June.

2. Cells in this table have been randomly adjusted to avoid the release of confidential data. For this reason, individual cells may not sum to totals.

Contact points for further information:

Press enquiries should be directed to the Department for Work and Pensions press office:

Media Enquiries: 0203 267 5129

Out of hours: 0203 267 5144

Website: <https://www.gov.uk/>

Follow us on Twitter: www.twitter.com/dwppressoffice

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DWP Information, Governance & Security Directorate - Client Statistics Division

<https://www.gov.uk/government/organisations/department-for-work-pensions/series/benefit-cap-statistics>

Other National Statistics publications, and general information about the official statistics system of the UK, are available from www.statistics.gov.uk