

Freedom of Information request 3035/2013

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Information request

1) Can you please tell me how the benefit cap figures of £350 a week single persons and £500 a week couples and single parents was arrived at?

2) Can you also provide how many, region by region how many will receive these amounts?

DWP response

1) The household benefit cap is set at £500 per week for couple and single parent households, and for single adult households it is £350 per week.

The figures of £500 and £350 a week were proposed in 2010. The £500 is the net earnings figure estimated for all households and £350 the Organisation for Economic Co-operation and Development (OECD) equivalent for single people. They were derived using DWP's Policy Simulation Model (a static microsimulation model), which uses the Family Resource Survey (FRS) as its source of information. Based on data from the 2008-09 FRS and assumptions around future earnings growth, median earnings were projected to 2013/14.

2) Please see below for a breakdown of how many households we estimate to be affected by the £500 week and the £350 week cap limits;

Region	£500	£350	Total
North East	1,000	..	1,000
North West	2,900	..	2,900
Yorkshire and The Humber	1,900	..	1,900
East Midlands	1,500	..	1,500
West Midlands	2,800	..	2,900
East of England	2,500	..	2,600
London	19,900	1,700	21,600
South East	4,000	..	4,100
South West	1,800	..	1,900
Wales	1,100	..	1,100
Scotland	1,400	500	1,800

Great Britain Total	37,500	2,500	40,000¹
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The sum of the total number of households estimated in each region, will not sum to the total number of households estimated to be affected by the benefit cap in Great Britain. This is because the total number of households affected in Great Britain are adjusted to take out both the early assessment of Incapacity Benefit cases to Employment Support Allowance (ESA) (as some cases may move into the ESA support group, which is exempt from the cap), and the disregarding of housings costs from the total amount of benefit capped for those in Supported Exempt Accommodation. However, it is not possible to provide a geographical split of these of these adjustments, and so regional figures do not take these adjustments into account.

Please note that household numbers are rounded to the nearest 100. Areas with fewer than 100 households affected are denoted by “..”, as additional disclosure control has been applied to these areas. For this reason, figures will not sum to the total number of households affected as estimated in an ad-hoc statistics release in April 2013, which can be found here:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/196895/Ben_Cap_Updated_Estimate.pdf
