

# Freedom of Information request 1644/2013

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## Information request and DWP response

**1/ What would the £71.00 really be, had the 1% cap not been imposed? Please give forecasts for each year of the duration of the cap?**

Prior to the Welfare Benefits Up-Rating Act 2013, which limits increases to 1 per cent in 2014-15 and 2015-16, the existing legislation requires that the Secretary of State makes an annual decision about the up-rating of benefits (and HM Treasury for tax credits and Child Benefit), having reviewed the increase in the general level of prices. It would therefore not be possible to pre-empt that annual decision for the years which are now covered by the Act.

**2/ What would the cost of the cap be, in human lives?**

We are unaware of any research on the link between benefit levels and life expectancy.

**3/ If the economy declines at the pace it is now, how long would it be before the cap is dismantled and the true cost of living factored into the benefit?**

The Welfare Benefits Up-Rating Act 2013 has effect on benefits and tax credits paid in 2014-15 and 2015-16 only, when those benefits and payments covered by the Act will be increased by 1 per cent. After that, the up-rating of those benefits and payments will be governed by the existing legislation and will therefore be subject to an annual exercise of discretion by the Secretary of State for Work and Pensions or by HM Treasury.

**4/ Please indicate the amount of savings to be made whilst the poor are demonised further?**

Information is available in the impact assessment published alongside the Welfare Benefits Up-Rating Bill, which can be found at <http://www.dwp.gov.uk/docs/welfare-benefits-up-rating-bill-ia.pdf>