

**COMMUNITY SERVICES AND LICENSING COMMITTEE
INFORMATION SHEET
15 NOVEMBER 2016**

The purpose of this information sheet is to update members on the latest Benefit Cap.

What is the Benefit Cap?

The Benefit Cap was announced in last year's summer budget and came into effect on Monday 07 November 2016. The cap is a limit on the total amount of certain benefits you can get if you are of working age. It will only affect claimants who are getting Housing Benefit or Universal Credit.

How much is it?

The maximum amount of out of work benefits working age families can receive will be £20,000 per year (from £26,000) or £384.62 per week from £500.

And maximum £13,400 per year (from £18,200) for single adults with no children, or £257.69 per week from £350.

Who is exempt from the Cap?

Some people are exempt from the Benefit Cap. This means their benefit isn't capped, even if their benefit income is above the limit of the cap.

For example, benefit won't be capped if:

- you get Working Tax Credit
- you get Disability Living Allowance or Personal Independence Payment
- you have reached the age for getting Pension Credit - although you may not be exempt if you're in a couple where one of you is above this age and one of you isn't
- from 07/11/2016 Carer's Allowance and Guardian's Allowance will also be an exempt income.

Impact in the Stroud District

The Department of Work and Pensions (DWP) are working closely with local authorities to help and support people transitioning to the reforms. We are also working with various Housing Associations and our own Tenant Services.

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The DWP have had some technical problems transporting the final file to us, but we are aware of 60 claimants within the district who have been affected, and a further 19 we are waiting to hear about. These are mainly single parents with children renting in the private sector. There are 16 claimants in our own council properties.

The amount of the Caps in place ranges from as little as £1.86 per week to £165.31 per week.

What are we doing?

Over the last few months the job centre has been in contact those claimants affected to prepare them for the Cap. More recently, we have followed up these cases by telephone and by visit where appropriate. All claimants have been made aware of our Discretionary Housing Payment scheme and been given a form to complete and return to us.

Discretionary Housing Payment (DHP)

Our Discretionary Housing Payment (DHP) scheme is used to assist housing benefit claimants who may need further temporary financial help with their housing costs. Housing costs can include help towards rent, tenancy start up costs and moving costs.

We receive limited funds each year for the DHP scheme. The amount that can be spent on the scheme each year is restricted, so not everyone who claims a DHP may be awarded one. Who receives DHP is entirely at the discretion of the Council.

For 2016/17, we were given an additional £27,481 by Central Government to help support those claimants affected by the Benefit Cap. This increased the overall annual funding from £90,077 to £117,558.

Note: The affect of the Cap based on the current cases is £3,961 per week in actual benefit that has been cut.

Year	DHP funding	DHP spend to date	Available to spend
2016/17	£117,588	£69,211	£48,377

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