

Benefit cap

Benefit Cap will start to be applied from 15th July 2013

There will be a cap on the amount of benefits a working-age household can receive – the actual date for implementation in our district is to be confirmed

The Benefit Cap will be set at an income of £500 per week for couples and lone parents and at £350 per week for single adults. It will be implemented by means of a deduction from Housing Benefit payments until Universal Credit starts when it will be incorporated into that payment.

The cap will not be applied for 39 weeks to those who have been in work continuously for the previous 12 months and who lose their job through no fault of their own.

The following benefits are included in the cap:

- Bereavement Allowance/Widowed Parents/Mothers Allowance
- Carers Allowance
- Child Benefit
- Child Tax Credit
- Employment and Support Allowance (except where Support Component has been awarded)
- Housing Benefit (payments of Discretionary Housing Payments are excluded)
- Incapacity Benefit
- Income Support
- Job Seekers Allowance
- Maternity Allowance
- Severe Disablement Allowance
- Widow's Pension

Any benefit or other income that are not included in the above list will not be taken into account when calculating the level of the cap.

There are some exclusions about who will be affected by the cap

The cap will not apply to households where the claimant, partner or any dependent child receives or is entitled to the following:

- Disability Living Allowance or Personal Independence Payment
- Attendance Allowance
- Working Tax Credits
- War Widows, War Widowers or War Disablement pension
- Employment and Support Allowance (Support Component)
- Industrial Injuries Benefits
- Armed Forces Compensation Scheme payments