

Experimental Statistics - 27th November 2019

There is a limit on the total amount of benefit that people aged 16 to 64 can get¹. This is called the Benefit Cap. The main objective of the policy is to restrict the amount of welfare support a household can receive to reflect the average take-home pay of working households. The Benefit Cap can be applied through Housing Benefit (HB) and Universal Credit (UC). In June 2016 the benefit cap was introduced at £26,000 a year for couples and households with children and £18,200 a year for single people without children. In November 2016 these thresholds were lowered to £20,000 and £13,400 respectively.

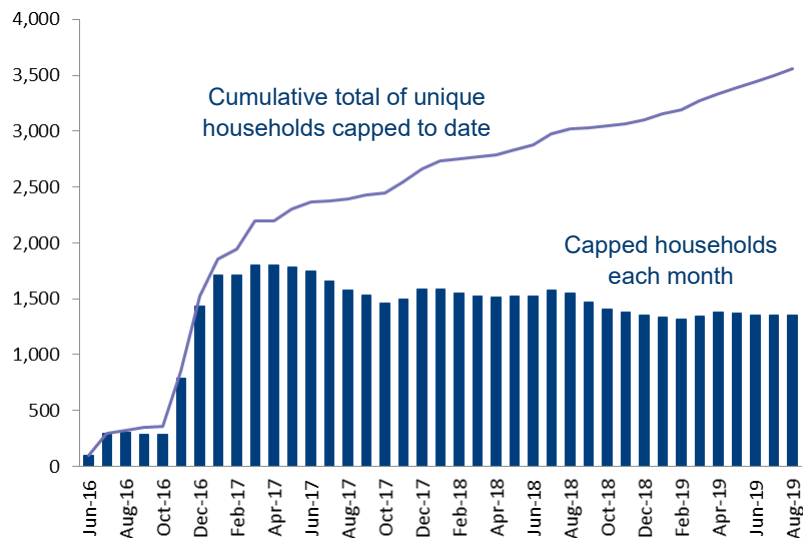
Main Stories

3,560 households have had their benefits capped at some point between June 2016 and August 2019.
Of these, 3,240 have been capped through Housing Benefit and 320 have been capped through Universal Credit.

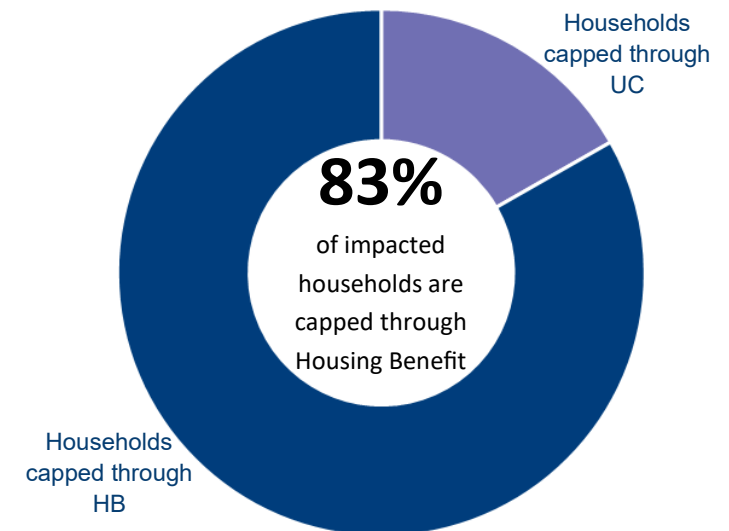
1,360 households had their benefits capped at August 2019.

Average amount capped at August 2019.

1,130 had Housing Benefit capped and 230 households had Universal Credit capped at August 2019.



**£48
Per
Week**



¹There are a number of benefits which exempt households from having their total amount of benefit limited in this way. These exemptions are listed on page 2.

At a Glance

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What You Need to Know

What is the Benefit Cap?

The Benefit Cap limits a working-age household's benefit income to:

£384.62 a week for couples (with or without children living with them) and single parents whose children live with them.

£257.69 a week for single adults without children, or whose children do not live with them.

The cap applies to the combined income from benefits including:

Jobseeker's Allowance, Income Support, and Employment and Support Allowance (except when the Support Component is in payment);

Child Benefit and Child Tax Credit;

Housing Benefit;

Universal Credit; and

Other benefits such as Incapacity Benefit and Bereavement Allowance.

You are not affected by the cap if you or your partner are in work or in receipt of an exempt benefit.

Exemptions from the cap include:

Carer's Allowance;

Disability Living Allowance or its replacement Personal Independence Payment;

Employment and Support Allowance (support component);

Working Tax Credit;

Other benefits such as Armed Forces Compensation Scheme payments; and

Exemptions such as DLA/PIP also apply if received by other members of the household.

For most capped households the benefit cap is applied by reducing the amount of Housing Benefit (HB) they receive, so their total benefits no longer add up to more than the cap level.

The Benefit Cap can also be applied through Universal Credit (UC). Phased roll out of UC began on 27th September 2017 in Northern Ireland and was rolled out in all offices by December 2018. Through UC the cap is applied to the full award and not only to housing costs. This release includes a limited set of experimental statistics on the number of households capped through UC. PSU plan to publish further statistics on UC off-flows and family type as quality assurance of data from the UC systems is progressed.

How is it measured?

The main source of Benefit Cap data is the Northern Ireland Housing Executive HB data. The UC data comes from the Universal Credit Full Service system.

Data on households who have (previously) been capped that are no longer capped is linked to the Department for Communities (DfC) benefits data to determine why households are no longer capped.

This report contains 3 measures:

Point-in-time caseload counts the number of capped households each month.

Cumulative caseload counts the overall number of unique households that have been capped from the introduction of the Benefit Cap to the latest month available.

Off-flows is the difference between the two caseload figures, and shows the number of previously capped households no longer capped at the latest month available. It does not include households who have moved off the cap and back on through that period.

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Comments? Feedback is welcome

[http://www.smartsurvey.co.uk/s/
NIBenefitCapStatistics/](http://www.smartsurvey.co.uk/s/NIBenefitCapStatistics/)

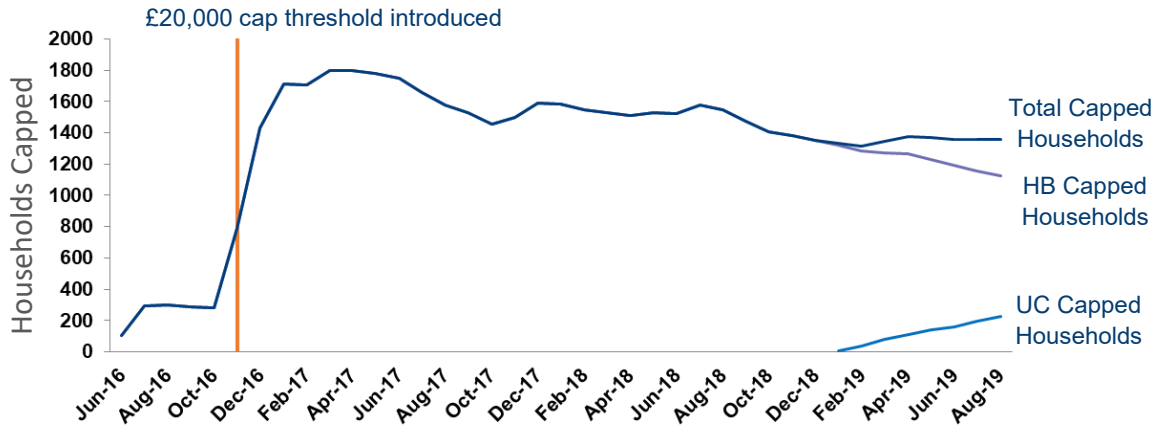
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Number of Capped Households

The number of capped households at each month rose after the introduction of the £20,000 threshold in November 2016. The number of capped households reached a peak of 1,800 in April 2017. After this time, there was a general decline in the number of capped households through HB, and in February 2019, it reached its lowest level of 1,320 since the £20,000 threshold was introduced. In recent months, the number of households capped through HB has continued to decrease. However, there has been an increase in the number of UC households being capped, therefore increasing the overall monthly caseload of households capped.

Point-in-time Capped Households - June 2016 to August 2019



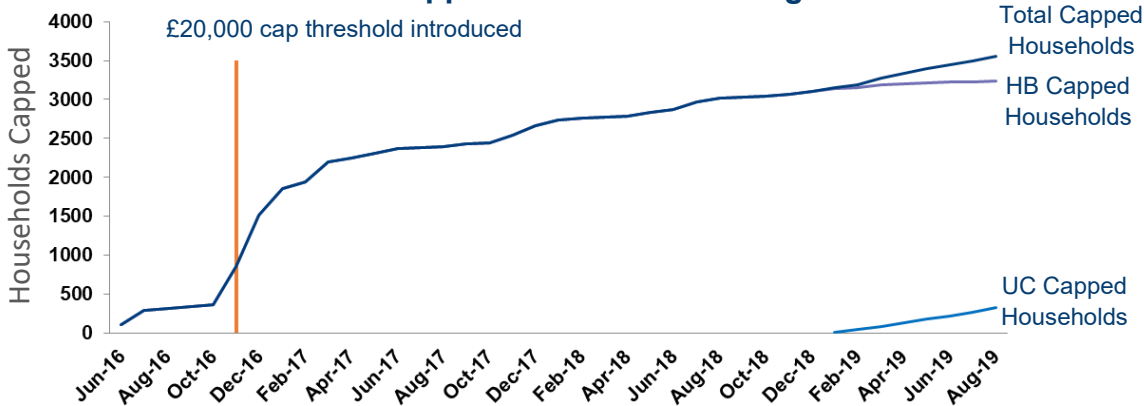
The Benefit Cap was introduced in June 2016 in Northern Ireland with a threshold of £26,000.

The £20,000 threshold was introduced in November 2016.

A total of 1,360 households had their benefits capped in August 2019. Of these, 1,130 were HB capped households and 230 were UC capped households.

Whilst the number of UC capped households is still small compared to the number of households that have had their HB capped, it is increasing.

Cumulative Total Capped Households to August 2019.



The cumulative caseload of households that have had their benefits capped since the introduction of the Benefit Cap has continued to rise to 3,560.

The cumulative caseload of households that have had their HB capped has risen to 3,240 and through UC has also increased to 320.

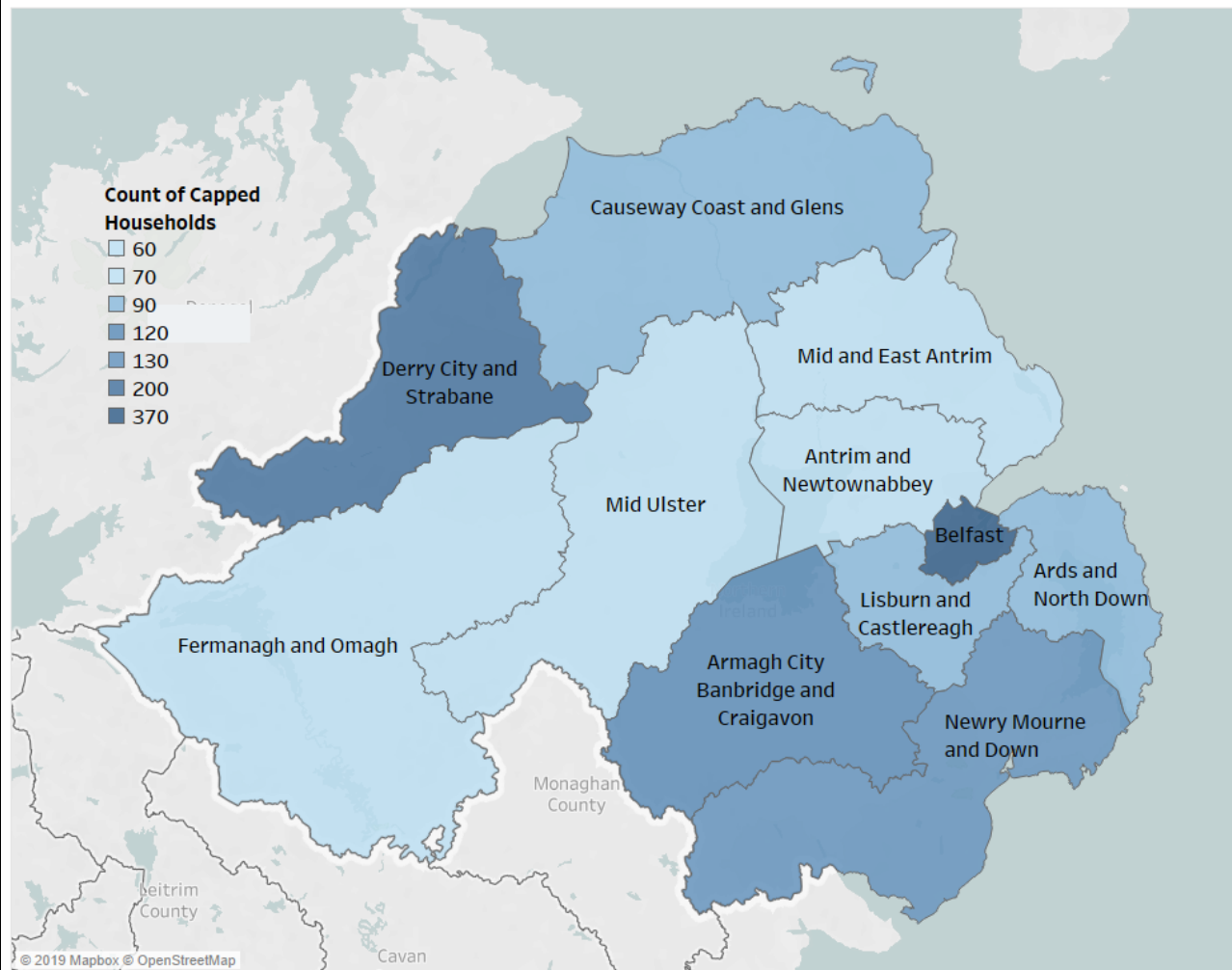
This shows that new households continue to be capped.

Where Capped Households are Located

Belfast has the most capped households with 27% of the NI total (at August 2019) in the Belfast Local Government District (LGD).

Capped Households by Local Government District - August 2019.

Local Government District	Total Number of Households Capped
Belfast	370
Derry City and Strabane	200
Newry, Mourne and Down	130
Armagh City, Banbridge and Craigavon	120
Ards and North Down	90
Causeway Coast and Glens	90
Lisburn and Castlereagh	90
Antrim and Newtownabbey	70
Mid and East Antrim	70
Fermanagh and Omagh	60
Mid Ulster	60
Unknown	10
Total:	1,360

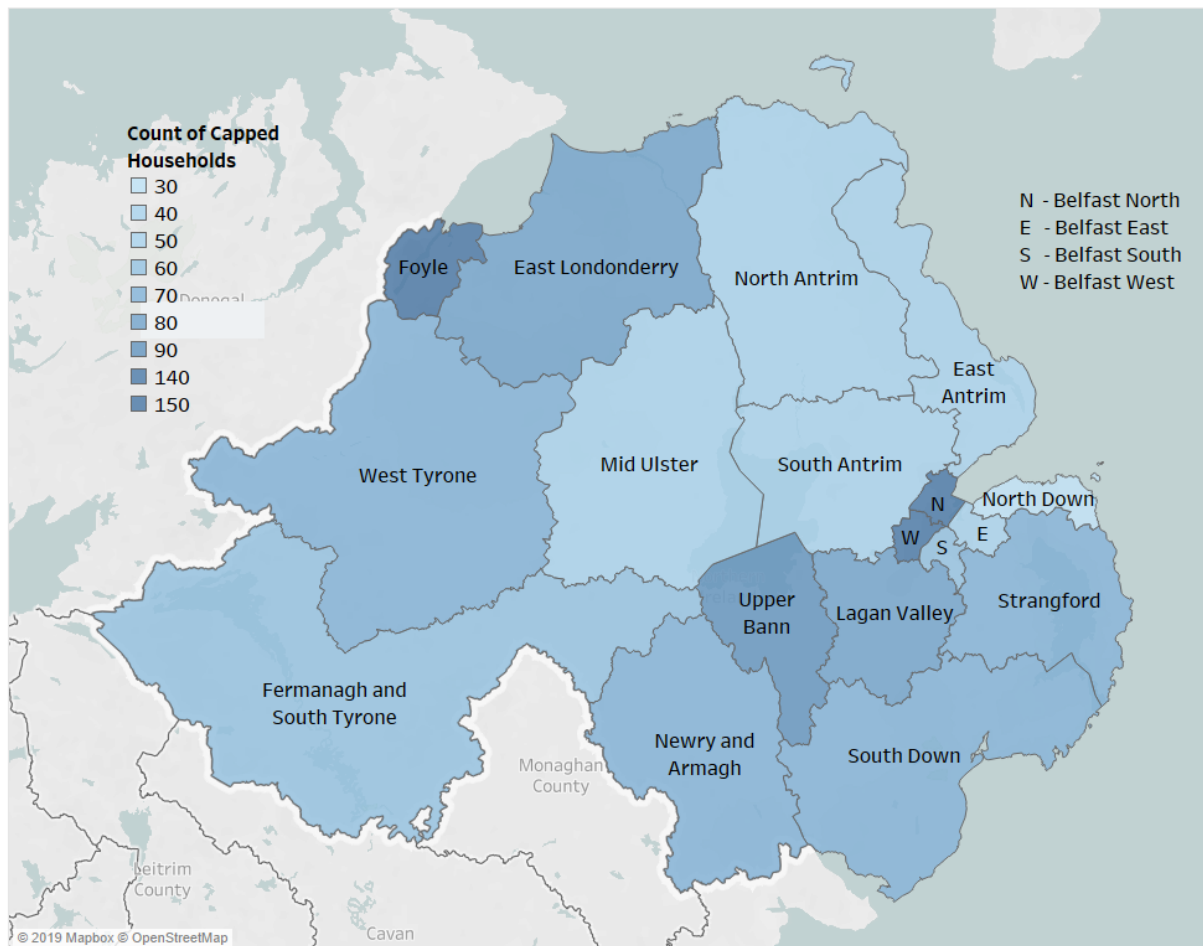


Figures in table and map are based on the totals of those capped through both HB and UC.

Where Capped Households are Located

Capped Households by NI Assembly Area - August 2019.

NI Assembly Area	Total Number of Households Capped
Foyle	150
Belfast North	140
Belfast West	140
Upper Bann	90
East Londonderry	80
Lagan Valley	80
Newry and Armagh	70
South Down	70
Strangford	70
West Tyrone	70
Belfast South	60
Fermanagh and South Tyrone	60
Belfast East	50
North Antrim	50
South Antrim	50
East Antrim	40
Mid Ulster	40
North Down	30
Unknown	10
Total:	1,360

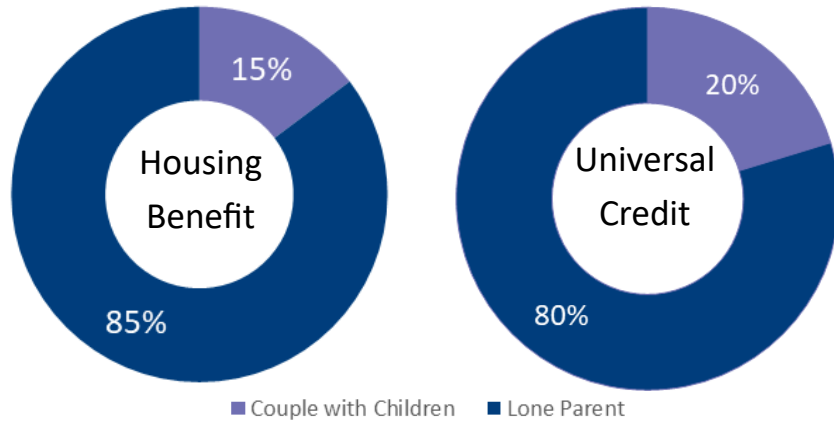


More information

Figures in table and map are based on the totals of those capped through both HB and UC.

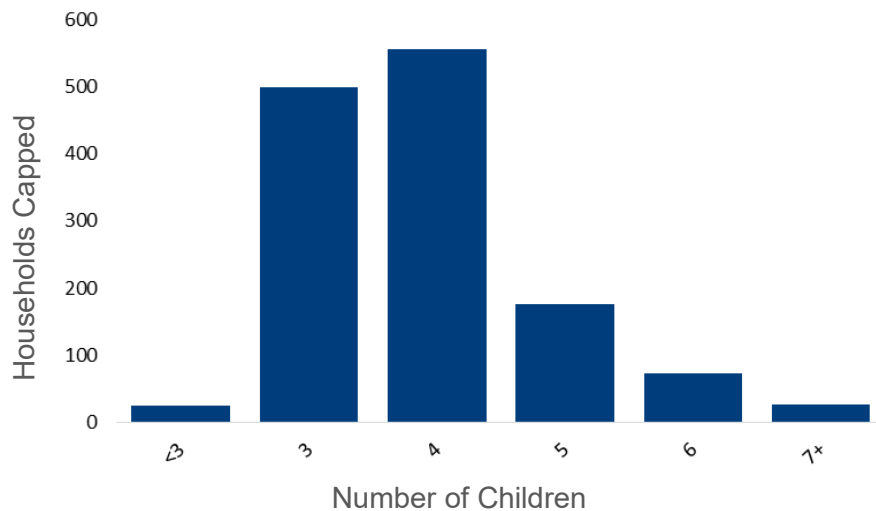
The Family Make-up of Capped Households

Percentage of Capped Households by Family Type at August 2019.



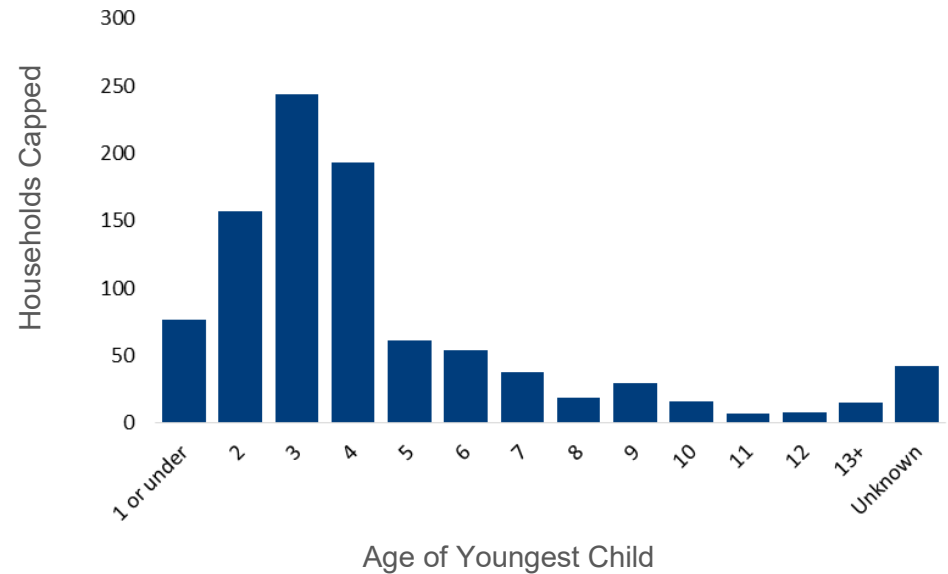
At August 2019, 16% (210) of the total capped households were couples with children while 84% (1,140) were single parent households.

Capped Households by Number of Children at August 2019.



70% (670) of single-parent capped households through HB had at least one child under the age of 5.

Single Parent Capped Households by Age of Youngest Child, at August 2019. (Housing Benefit Only)



At August 2019, 20% (280) of all capped households had 5 or more children while 80% (1080) had between 2 and 4 children. There were less than 10 capped households with 1 or no children at August 2019.

Child Benefit and Child Tax Credits are both included in the Benefit Cap, so families with more children, in receipt of higher amounts of these benefits are more likely to be capped.

The Financial Impact of Being Capped

Unlike legacy benefits, UC is assessed and paid monthly and it is calculated based on household circumstances. The Benefit Cap is applied to the full UC award and not only to housing costs. For these statistics, a weekly cap equivalent has been calculated for UC households. UC has further financial impact statistics still in development.

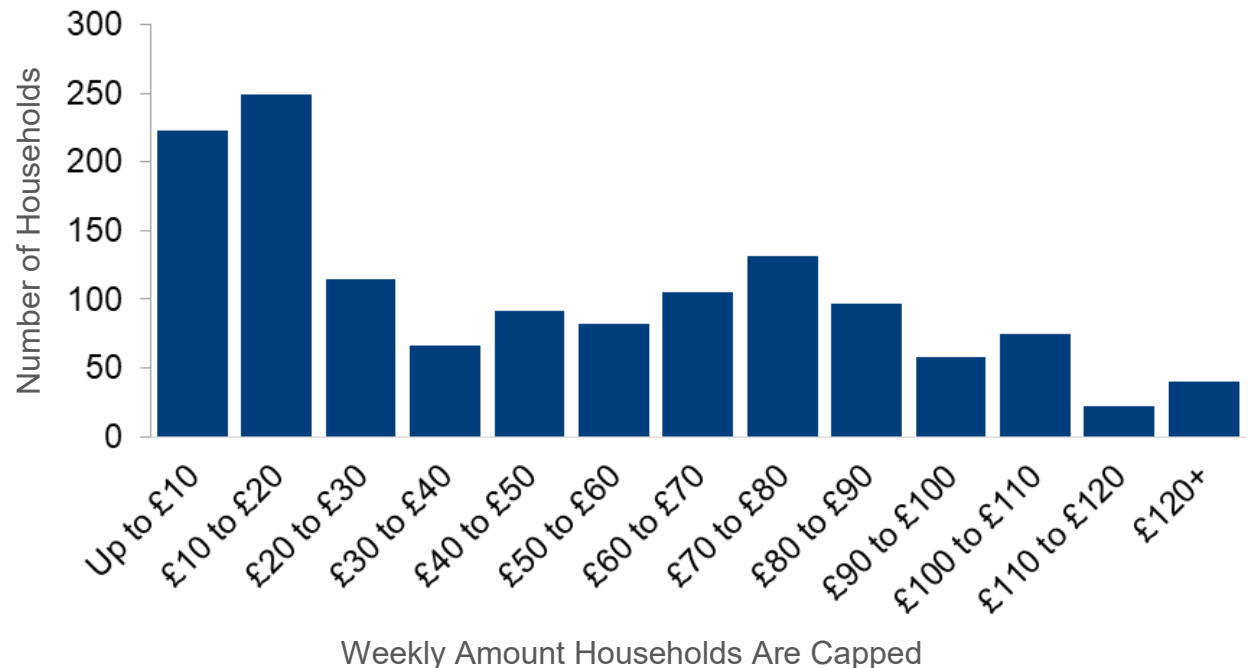
The average weekly impact of the Benefit Cap in Northern Ireland, during August 2019, is a reduction of:

£48

The average **weekly** impact of the Benefit Cap on HB claimants in Northern Ireland, during August 2019, was a reduction of £47.

The average **monthly** impact of the Benefit Cap on UC claimants in Northern Ireland, during August 2019, is a reduction of £222, which is equivalent to a **weekly** cap of £51.

Capped Households by Weekly Amount Capped, in August 2019.



55% (750) of all capped households have their benefits capped by less than £50 per week.

10% (140) of all capped households have their benefits capped by £100 or more per week.

Benefits Claimed by Capped Households on Housing Benefit

In August 2019, of the households capped through Housing Benefit:

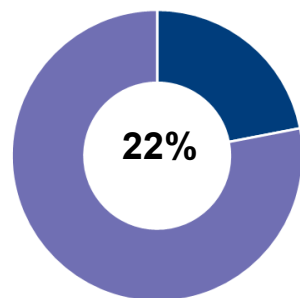
22% (250) were claiming Job Seeker's Allowance (JSA).

8% (90) were claiming Employment and Support Allowance (Assessment Stage and Work-Related Activity Group only) (ESA).

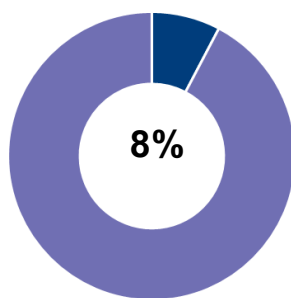
65% (740) were claiming Income Support (IS).

95% (1070) were claiming Child Tax Credit (CTC).

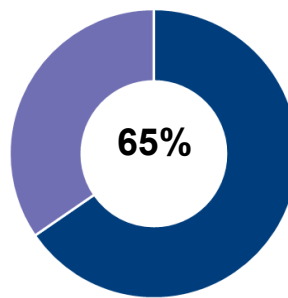
**Capped Households by Benefit Take-Up at August 2019.
(Housing Benefit Only)**



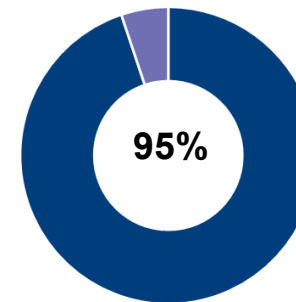
Job Seeker's Allowance



Employment and Support Allowance



Income Support



Child Tax Credit

More Information

Capped households can be in receipt of multiple benefits. The Benefit Cap applies to a household's combined income from a range of working age benefits. This means that a household can be included in multiple categories shown here and therefore percentages do not sum to 100%.

Analysis is based on benefit claims by the lead claimant in a household, and where applicable, their partner.

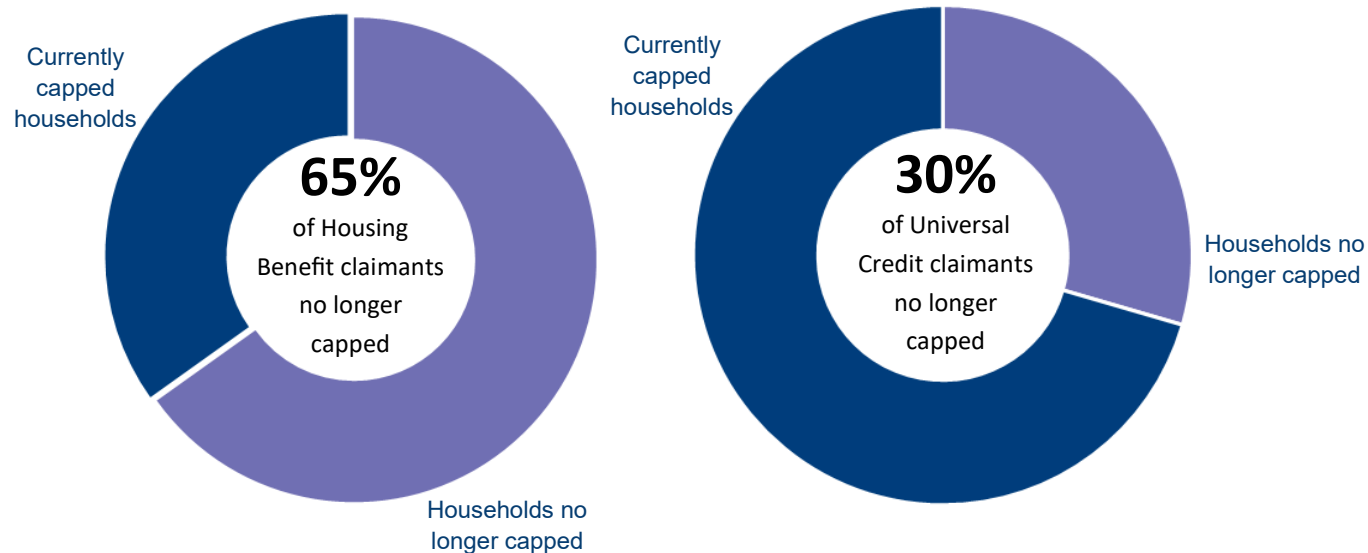
Equivalent information is not available for UC as it replaces six benefits with one overall benefit.

Moving Off the Cap

65% (2,110) of previously capped HB households are no longer capped, at August 2019. This is an increase of 130 from the last quarter, at May 2019.

30% (100) of previously capped UC households are no longer capped, at August 2019.

Off-Flows from the cap, at August 2019.



More Information

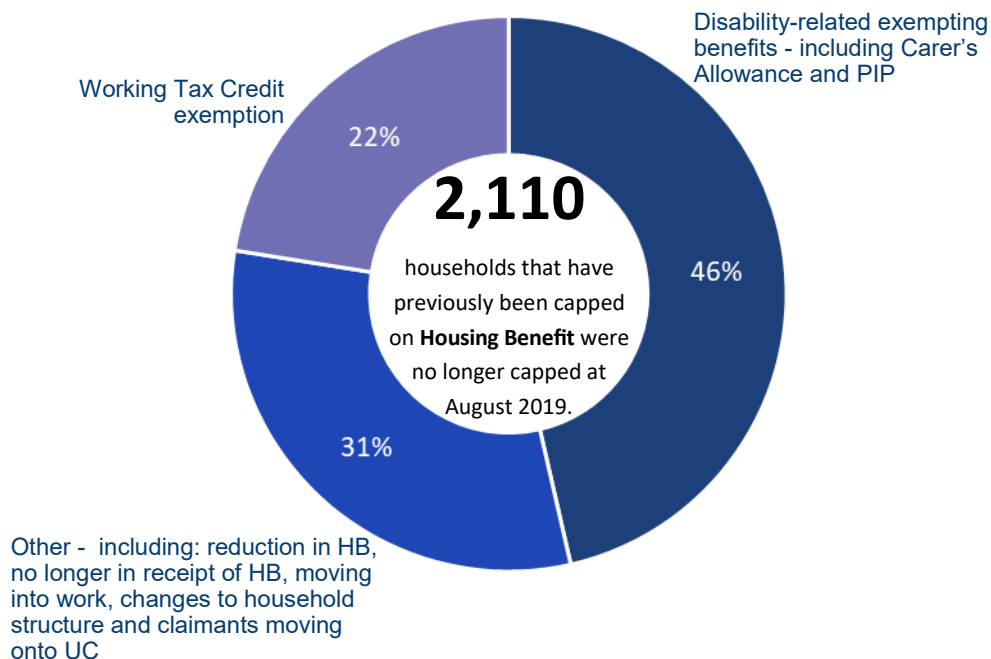
Benefit cap off-flow statistics for UC and HB are not directly comparable as their policies are different.

If a household experiences a change in circumstances, they may move from HB onto UC. Capped households who move from legacy benefits onto UC will be reassessed for the Benefit Cap based on their new entitlement. Consequently, some households can off-flow from being capped under HB, but then be capped under UC. However, data is not currently available to report on the number of households capped under HB that move onto UC.

Outcome statistics for households no longer capped under UC are still under development and are not comparable with statistics for outcomes of those who are no longer capped under HB. Producing comparable figures on outcomes related to moving into work is difficult because exemption from the HB cap is linked to hours worked and for UC it is linked to earnings.

Moving Off the Cap: Housing Benefit Outcomes

Off-Flows From the Cap by Household Outcome, at August 2019. (Housing Benefit Only)



More Information

The reason a household is no longer capped may change after a household has moved off the cap. This chart shows this reason as at August 2019. There may be a number of reasons why a household is no longer capped but only a single reason is shown.

If a claimant moves into work and receives Working Tax Credit (WTC) they become exempt from the cap under HB. This is one of the main reasons in Great Britain for cases flowing off the cap.

However in Northern Ireland the majority of claimants are receiving mitigation payments under the Fresh Start Agreement which make up for the reduction in HB due to the application of the Benefit Cap. Therefore the same financial incentive to enter work does not exist.

The NI Executive committed to delivering Welfare Mitigation Payments, which will run until 31 March 2020, for eligible claimants as detailed in the Fresh Start Agreement. All eligible claimants who are continuously affected by the Benefit Cap will receive a mitigation payment until 31 March 2020.

Households may also become exempt if they made a successful claim for a disability-related exempting benefit such as Carer's Allowance (CA), Disability Living Allowance (DLA) or Personal Independence Payment (PIP). Almost half (46%) of households who have moved off the cap from HB as at August 2019 were receiving disability-related exempting benefits.

It is difficult to track every other reason for claimants moving off the cap with the administrative data available. Many cases simply flow off the data and it is not possible to tell what changed in the household circumstances to cause this, as they are no longer on the administrative data.

However, some potential reasons could include: cases moving to different accommodation leading to a change in HB award size, a child leaving or joining a household causing benefits to be re-calculated, a partner leaving or joining a household causing benefits to be re-calculated and any other change of circumstance that leads to the benefit income of the household reducing below the cap threshold.

About These Statistics

The Benefit Cap was introduced in Northern Ireland on 31st May 2016 at the £26,000 per annum threshold for couples and households with children and £18,200 per annum for single people without children. On 7th November 2016 these thresholds were lowered to £20,000 per annum and £13,400 per annum respectively.

This summary contains experimental statistics on the number of households capped since the introduction of the Benefit Cap. Where available, it includes key features of these households in terms of amount capped, number of children and family type, broken down by local government district and assembly area. For HB capped households, other benefits claimed and the destination of off-flows from the Benefit Cap have also been examined.

The main source of Benefit Cap data published here is the NIHE Single Housing Benefit Extract (SHBE). This is merged with DfC benefit scans to give data on the types of benefits claimed by capped households and also the age and number of dependents. SHBE is merged with DfC benefit scans to provide information on the outcomes of households that have off-flowed from the Benefit Cap. The Benefit Cap is mainly administered through a reduction in Housing Benefit. However, administration of the Cap can also occur through a reduction of UC payments as the roll-out of the UC policy is extended to eligible households throughout Northern Ireland. This report contains a limited set of statistics on the number of households capped through UC.

Data Quality Statement

These statistics are in an experimental stage and as such are subject to retrospective revision in any future releases.

The methodology for gathering these statistics is still in development and is also in the process of being quality assured. The methodology may change, leading to a revision of the figures contained within.

Definitions

Point-in-Time Caseload: The number of households capped at each month from the introduction of the Benefit Cap (on 31 May 2016) to August 2019.

Off-Flows by Outcome: The number of households who have previously been capped but are no longer subject to the cap in August 2019.

Further Information

For more information on Benefit Cap statistics, including detailed tables, please visit <https://www.communities-ni.gov.uk/articles/benefit-cap-statistics>

Alternatively, contact DfC Professional Services Unit at catherine.murdock@communities-ni.gov.uk

We would appreciate if you completed a short questionnaire to give us your views on the publication.

An online version of this questionnaire is available at the following link:

<http://www.smartsurvey.co.uk/s/NIBenefitCapStatistics/>

For more information on Benefit Cap in general, please visit: <https://www.nidirect.gov.uk/articles/the-benefit-cap>