

# THE BENEFIT CAP

Durham  
County Council



## What is the benefit cap?

Since April 2013 there has been a limit on the total amount of benefits that any working age claimant can receive. This is called the 'benefit cap'.

The benefit cap only applies if you receive Housing Benefit or Universal Credit.

## Are all benefits subject to the cap?

No, some benefits are exempt from the cap. If you do not receive Universal Credit, the benefits taken into account in the cap are:

- Bereavement Allowance (not Bereavement Support Payment)
- Child Benefit
- Child Tax Credit
- Employment and Support Allowance (ESA) except where the support component is paid
- Housing Benefit (unless paid in supported accommodation)
- Incapacity Benefit
- Income Support
- Jobseeker's Allowance (JSA)

- Maternity Allowance
- Severe Disablement Allowance (SDA)
- Widowed Parent's Allowance (or any Widowed Mother's Allowance or Widow's Pension you started getting before 9 April 2001)

If you receive a benefit that is not on this list, it will not be counted towards the amount of benefit covered by the cap.

If you receive Universal Credit, the benefits taken into account are:

- Bereavement Allowance (not Bereavement Support Payment)
- Child Benefit
- new style ESA unless you receive the support component
- new style JSA
- Maternity Allowance
- Universal Credit (before any sanctions are applied) except for any carer element, any 'limited capability for work and work-related activity' element, and the housing element if it is paid in supported accommodation
- Widowed Parent's Allowance (or any Widowed Mother's Allowance or Widow's Pension you started getting before 9 April 2001)



Welfare Rights Service  
Revenues and Benefits  
Durham County Council

[www.durham.gov.uk/welfareights](http://www.durham.gov.uk/welfareights)  
[welfare.rights@durham.gov.uk](mailto:welfare.rights@durham.gov.uk)

## Who will have their benefits reduced?

Unless one of the exemptions applies to you, if you live in County Durham and the total amount of all your benefits listed above comes to:

- more than £384.62 a week (£1,666.67 a month) for a couple with or without children or a lone parent
- more than £257.69 a week (£1,116.67 a month) for a single household

the total amount of benefit you are paid will be reduced to that level. This will be done by reducing Housing Benefit or, where appropriate, Universal Credit.

## Exemptions

There are some exemptions from the benefit cap:

- In work exemption—all benefit households will be exempt from the cap where someone is working and receives:
  - Universal Credit and earns a wage of at least 16 times the hourly national minimum wage; or
  - Working Tax Credit (no earnings rule)
- War Widows and Widowers—any war widow or widower who is in receipt of a pension paid under the War Pension Scheme, Armed Forces Compensation Scheme or similar

- Households who receive:
  - Disability Living Allowance, Attendance Allowance or Personal Independence Payment
  - Industrial Injuries Benefits (and equivalent payments)
  - the support component of ESA
  - the 'limited capability for work and work-related activity' element of Universal Credit
  - Carers Allowance
  - the carer element of Universal Credit
  - Guardian's Allowance
  - Armed Forces Independence Payment.

## Grace period

A 'grace period' exists if you have recently worked. For people not receiving Universal Credit, the cap will not be applied for 39 weeks if you have been in paid work of 16 hours a week continuously for at least 50 of the 52 weeks before your claim was made.

If you receive Universal Credit, the grace period will apply if you (or you and your partner) were working for a year and your combined gross earnings for each month in that year were equivalent to the national minimum wage for someone working 16 hours each week.



## Further advice and information

If you live in County Durham and the DWP think the benefit cap might apply to you, if this affects your Housing Benefit you should have received a letter from them alerting you to this and the council's Housing Solutions team should have contacted you to offer help and advice.

If you are still worried about how the benefit cap might affect you, you should seek advice from the Welfare Rights Service. Our contact details are given at the bottom of this page. ■



## Need more advice? CONTACT WELFARE RIGHTS:

### By telephone:

Advice Line  
03000 268 968  
9 am – 12 noon

### By email:

[welfare.rights@durham.gov.uk](mailto:welfare.rights@durham.gov.uk)

### By post:

Welfare Rights • Durham County Council • Revenues and Benefits • PO Box 254  
Stanley • County Durham • DH8 1GG

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