

Experimental Statistics - 27th May 2020

There is a limit on the total amount of benefit that people aged 16 to 64 can get<sup>1</sup>. 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.

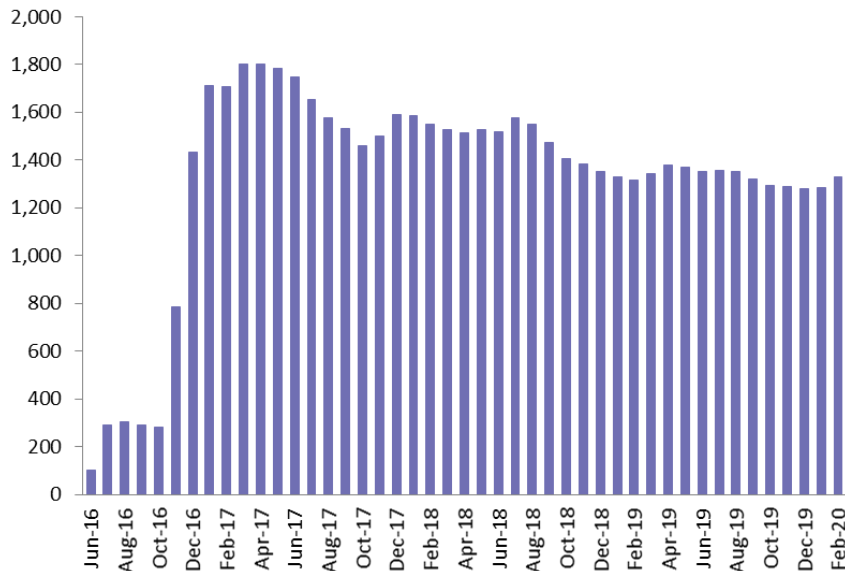
## Main Stories

From June 2016 to February 2020, 3,340 households have had their Housing Benefit capped and 620 households have had their Universal Credit capped.

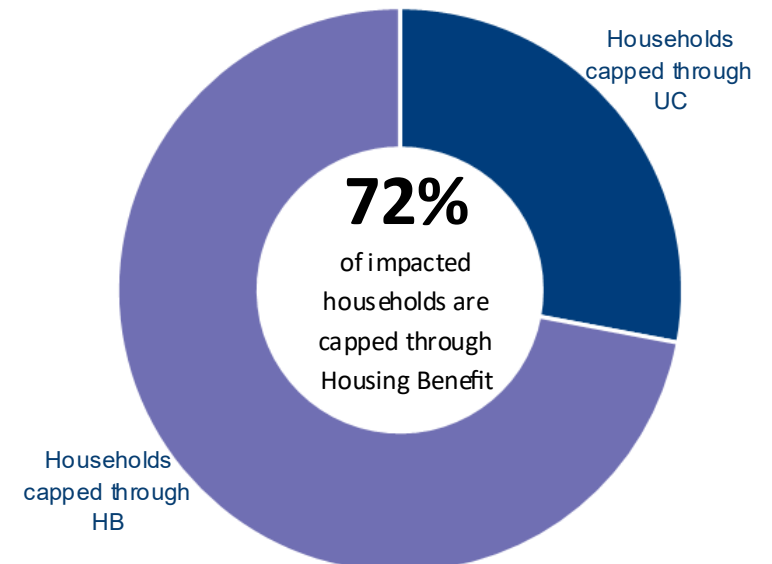
**1,330 households had their benefits capped at February 2020.**

**Average amount capped at February 2020:**

**960 households had Housing Benefit capped and 370 households had Universal Credit capped at February 2020.**



**£46  
Per  
Week**



<sup>1</sup>There 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 Support Payment.

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. PSU plan to publish further statistics on UC off-flows 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 through HB 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.

Number of capped households

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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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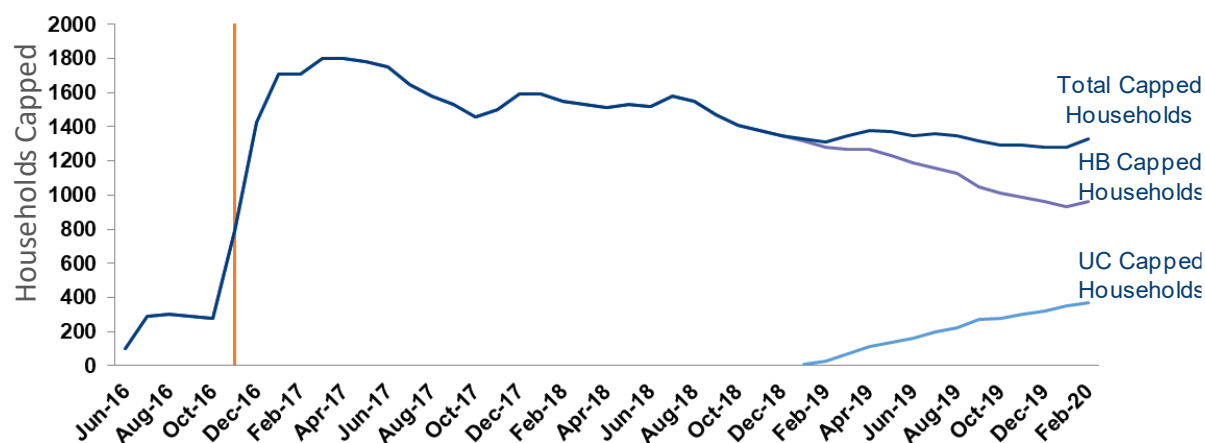
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## Number of Capped Households

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 December 2019 to January 2020, it reached its lowest level of 1,280 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 households capped through UC resulting in the overall caseload of households capped staying similar in recent months.

### Point-in-time Capped Households - June 2016 to February 2020

£20,000 cap threshold introduced



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

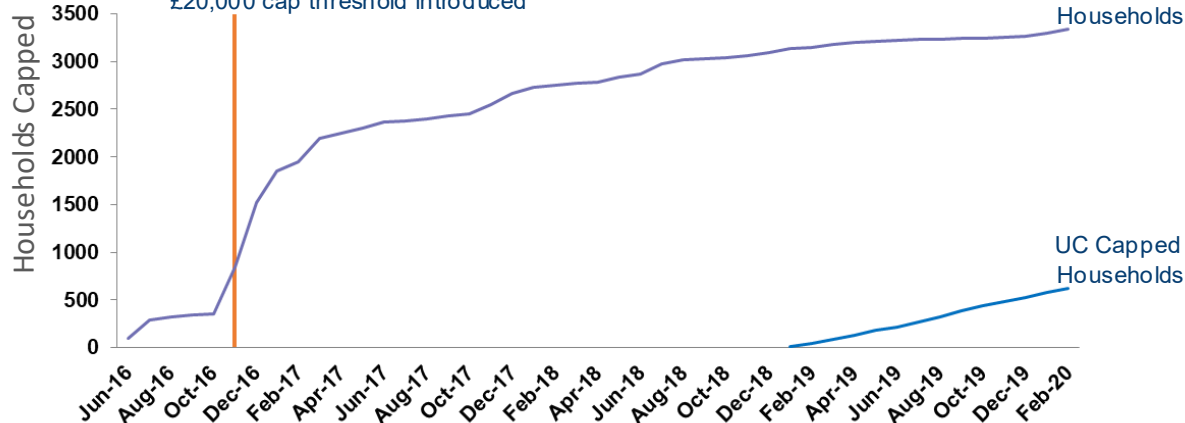
The £20,000 threshold was introduced in November 2016.

A total of 1,330 households had their benefits capped in February 2020. Of these, 960 were HB capped households and 370 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 February 2020

£20,000 cap threshold introduced



The cumulative caseload of households that have had their HB and UC capped since the introduction of the Benefit Cap has continued to rise.

The cumulative caseload of households that have had their HB capped has risen to 3,340 and through UC has also increased to 620.

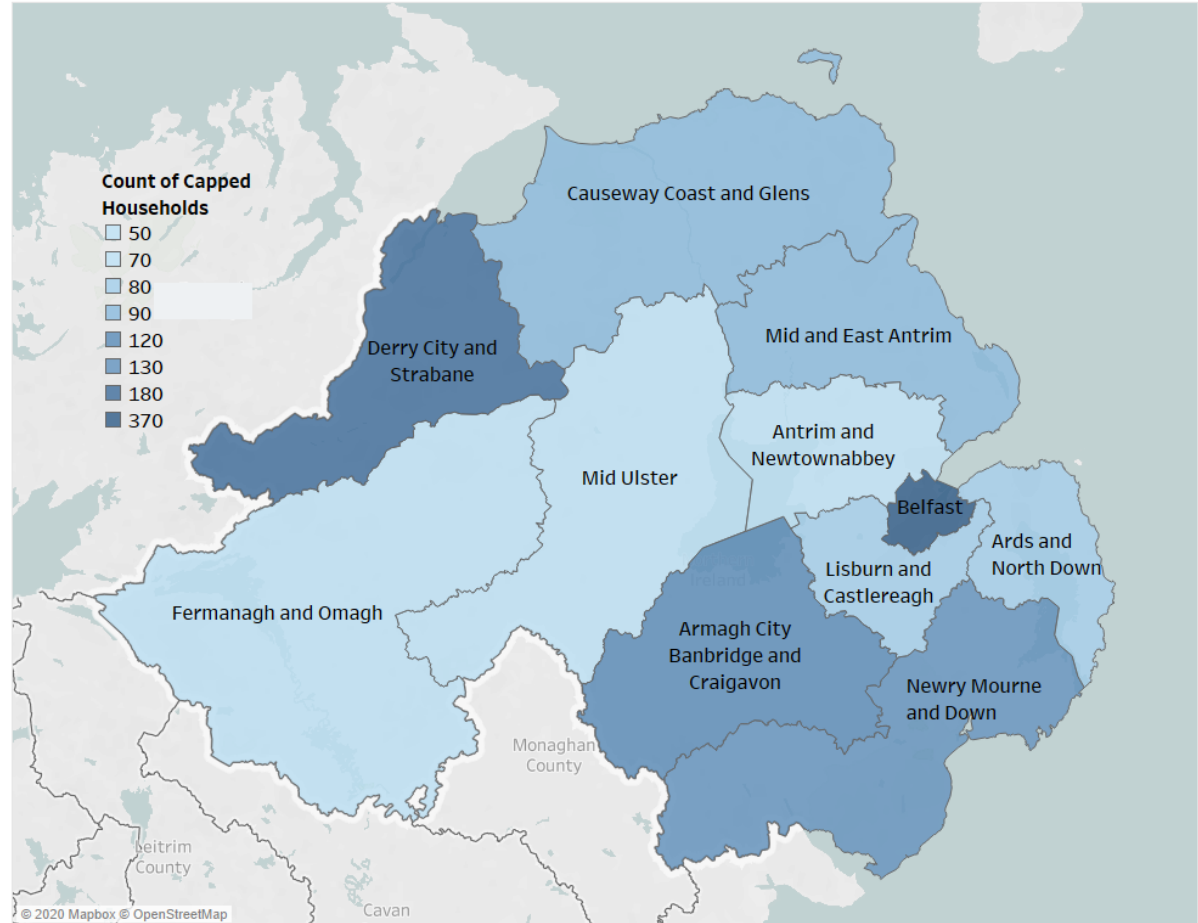
This shows that new households continue to be capped.

# Where Capped Households are Located

Belfast has the most capped households with 28% of the NI total (at February 2020) in the Belfast Local Government District (LGD).

**Capped Households by Local Government District - February 2020.**

Local Government District	Total Number of Households Capped
Belfast	370
Derry City and Strabane	180
Newry, Mourne and Down	130
Armagh City, Banbridge and Craigavon	120
Causeway Coast and Glens	90
Mid and East Antrim	90
Lisburn and Castlereagh	80
Ards and North Down	80
Antrim and Newtownabbey	70
Mid Ulster	70
Fermanagh and Omagh	50
Unknown	10
<b>Total:</b>	<b>1,330</b>



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## More information

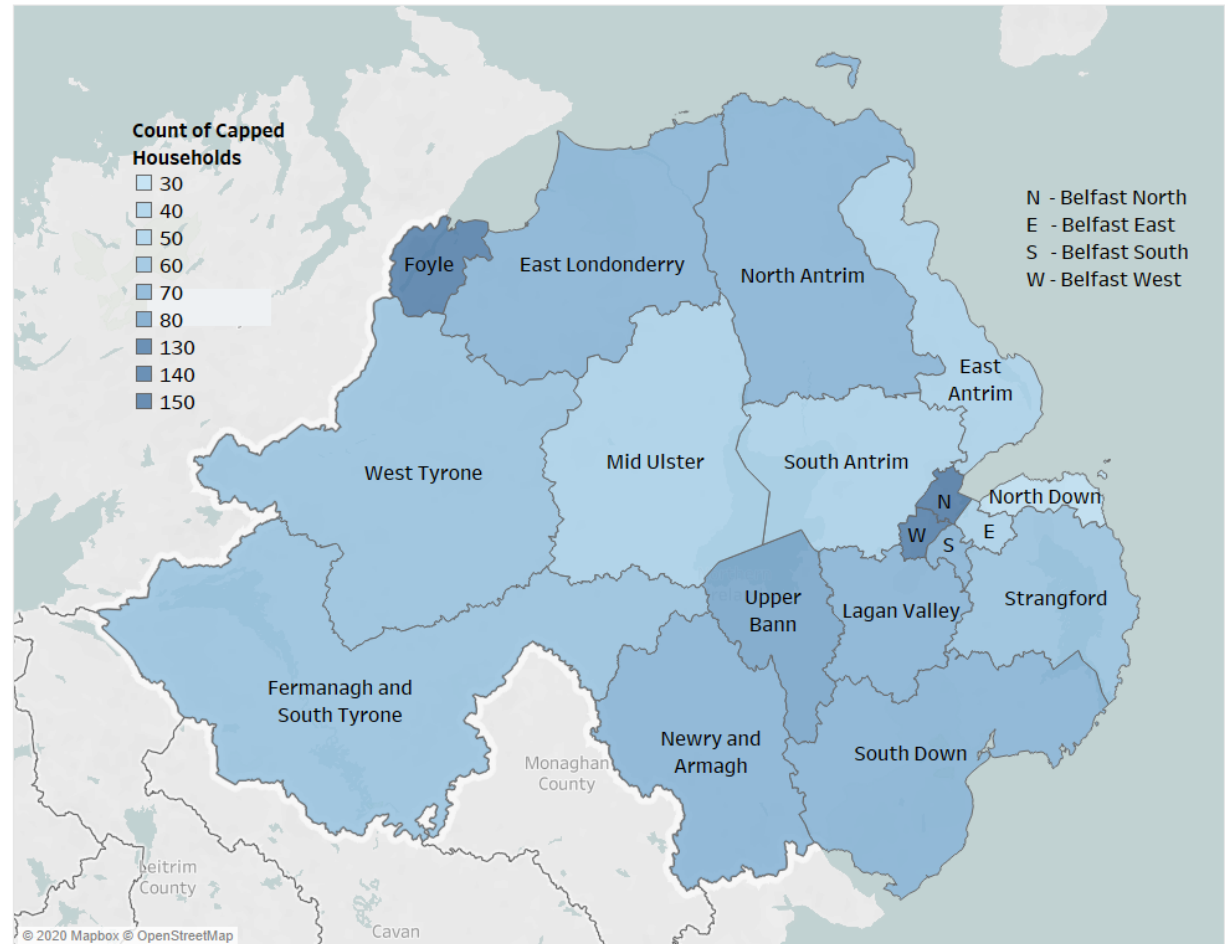
Figures in table and map are based on the totals of those capped through both HB and UC.

# Where Capped Households are Located

Foyle, Belfast North and Belfast West Assembly Areas make up 31% of the NI total, at February 2020.

**Capped Households by NI Assembly Area - February 2020.**

NI Assembly Area	Total Number of Households Capped
Belfast North	150
Belfast West	140
Foyle	130
Upper Bann	80
East Londonderry	70
Lagan Valley	70
Newry and Armagh	70
South Down	70
Belfast South	70
North Antrim	70
Strangford	60
Fermanagh and South Tyrone	60
West Tyrone	60
Belfast East	50
South Antrim	50
Mid Ulster	40
East Antrim	40
North Down	30
Unknown	10
<b>Total:</b>	<b>1,330</b>



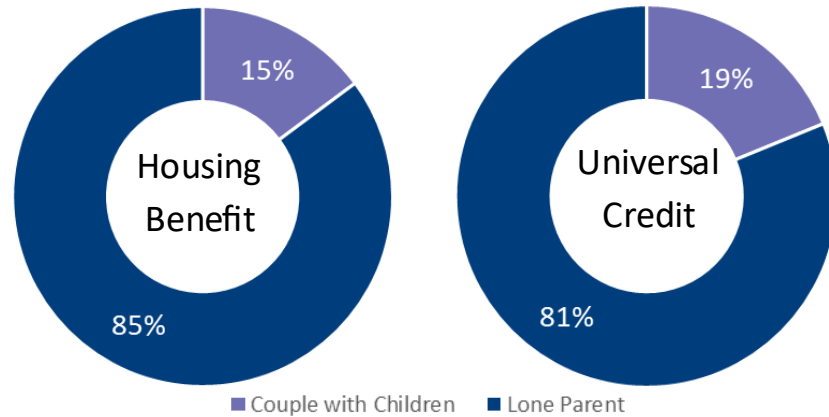
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## More information

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

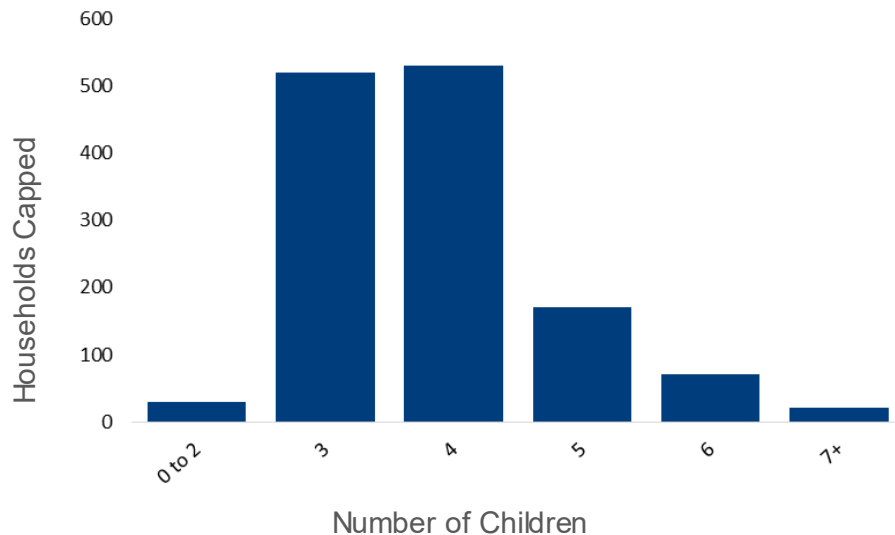
# The Family Make-up of Capped Households

Percentage of Capped Households by Family Type at February 2020.



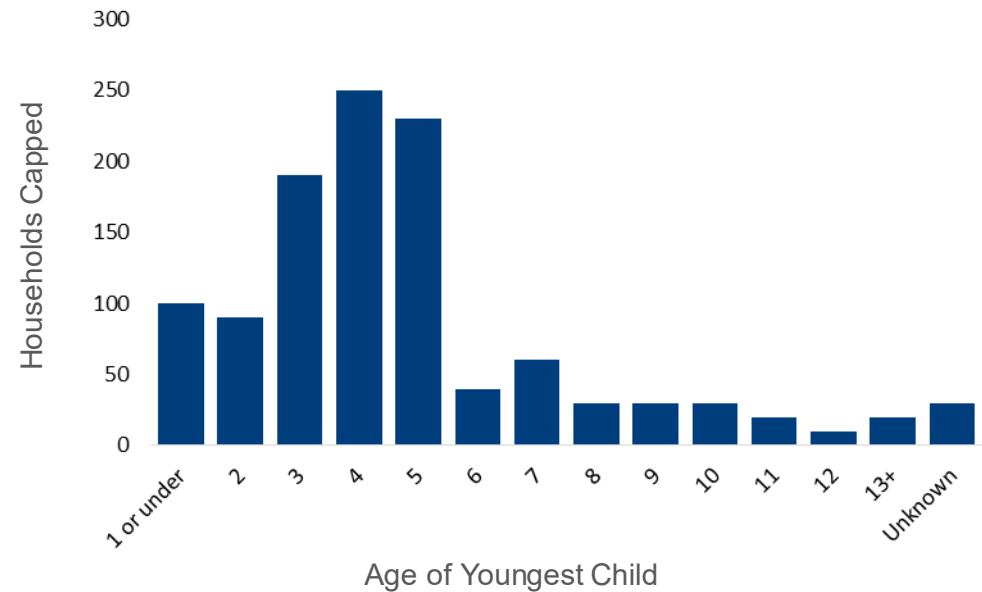
At February 2020, 16% (210) of the total capped households were couples with children while 84% (1,120) were single parent households.

Capped Households by Number of Children, at February 2020.



56% (630) of single-parent capped households had at least one child under the age of 5.

Single Parent Capped Households by Age of Youngest Child, at February 2020.



At February 2020, 19% (260) of all capped households had 5 or more children while 79% (1,050) had 3 or 4 children. There were 30 (2%) capped households with 0 to 2 children at February 2020.

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 financial impact statistics by geography still in development.

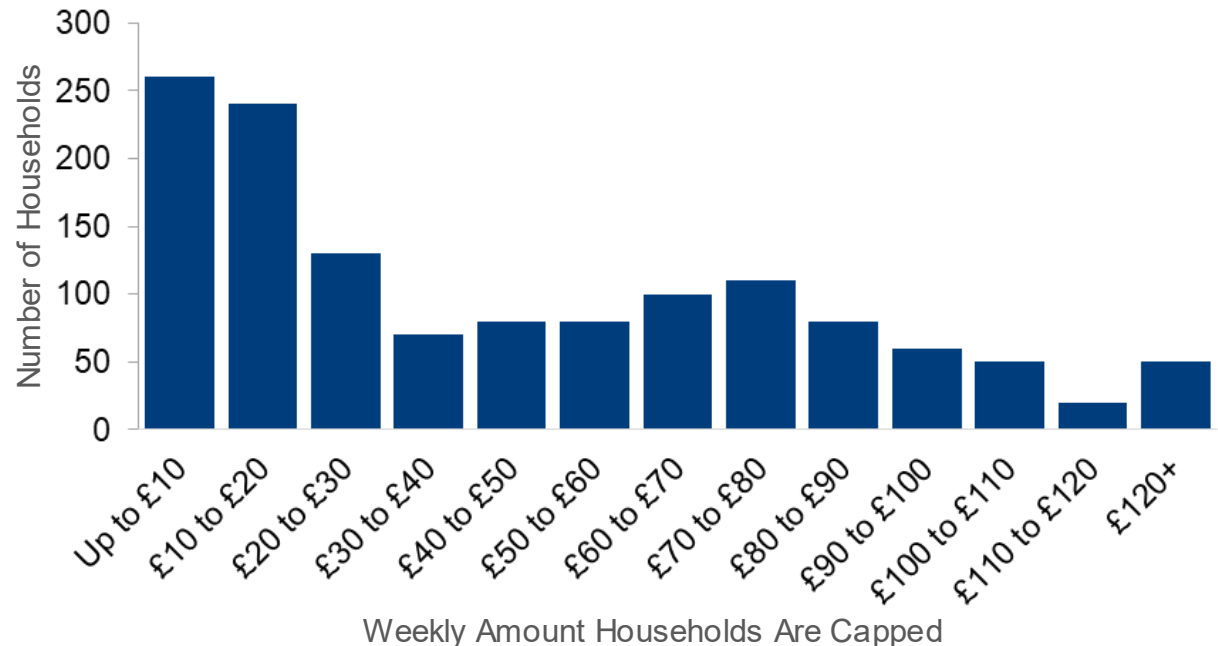
The average weekly impact of the Benefit Cap in Northern Ireland, during February 2020, is a reduction of:

# £46

The average **weekly** impact of the Benefit Cap on HB claimants in Northern Ireland, during February 2020, was a reduction of £46.

The average **monthly** impact of the Benefit Cap on UC claimants in Northern Ireland, during February 2020, is a reduction of £197, which is equivalent to a **weekly** cap of £45.

Capped Households by Weekly Amount Capped, at February 2020.



59% (780) of all capped households have their benefits capped by less than £50 per week.

9% (120) all capped households have their benefits capped by £100 or more per week.

## Benefits Claimed by Capped Households on Housing Benefit

In February 2020, of the households capped through Housing Benefit:

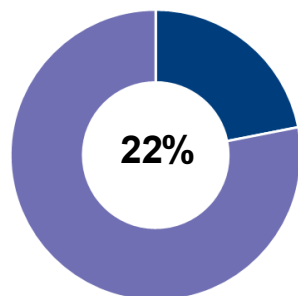
22% (210) were claiming Job Seeker's Allowance (JSA).

7% (70) were claiming Employment and Support Allowance (Assessment Stage and Work-Related Activity Group only) (ESA).

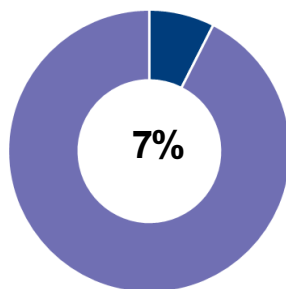
68% (650) were claiming Income Support (IS).

96% (920) were claiming Child Tax Credit (CTC).

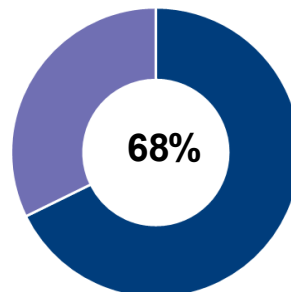
**Capped Households by Benefit Take-Up at February 2020.  
(Housing Benefit Only)**



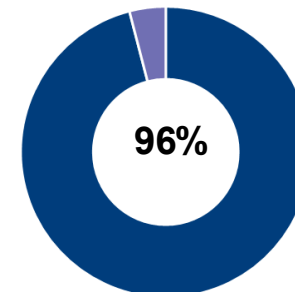
Job Seeker's Allowance



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.

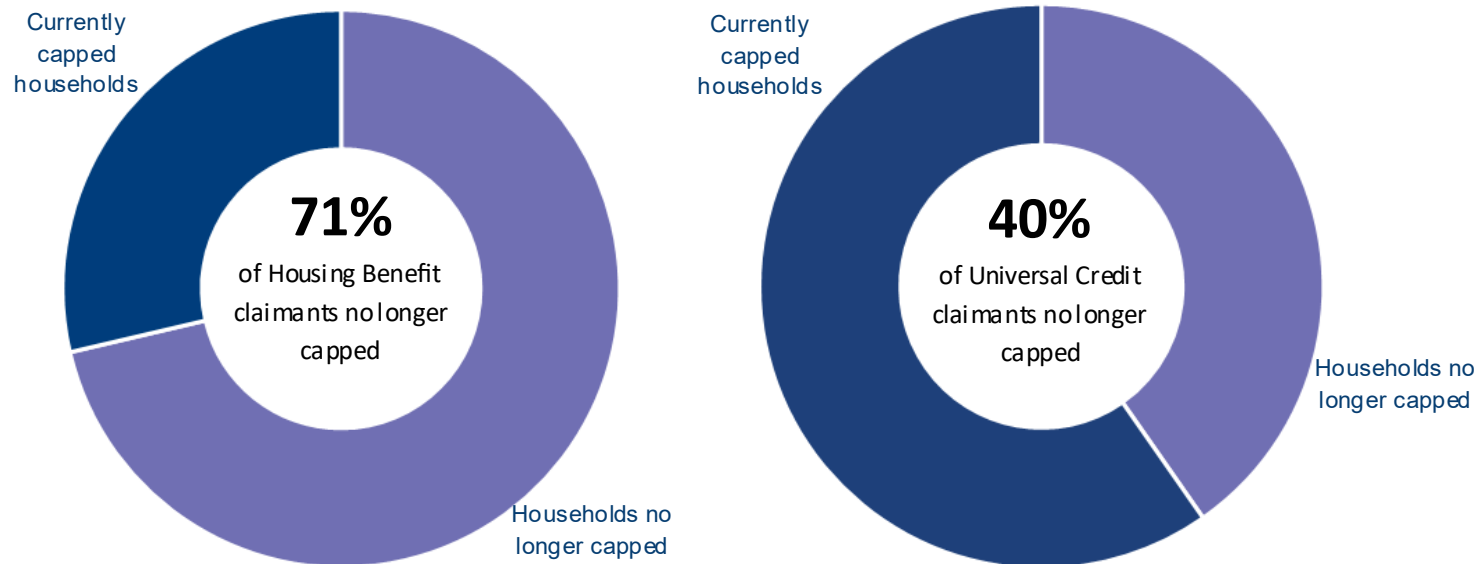


## Moving Off the Cap

71% (2,390) of previously capped HB households are no longer capped, at February 2020. This is an increase of 120 from the last quarter, at November 2019.

40% (250) of previously capped UC households are no longer capped, at February 2020. This is an increase of 70 from the last quarter, at November 2019.

Off-Flows from the cap, at February 2020.



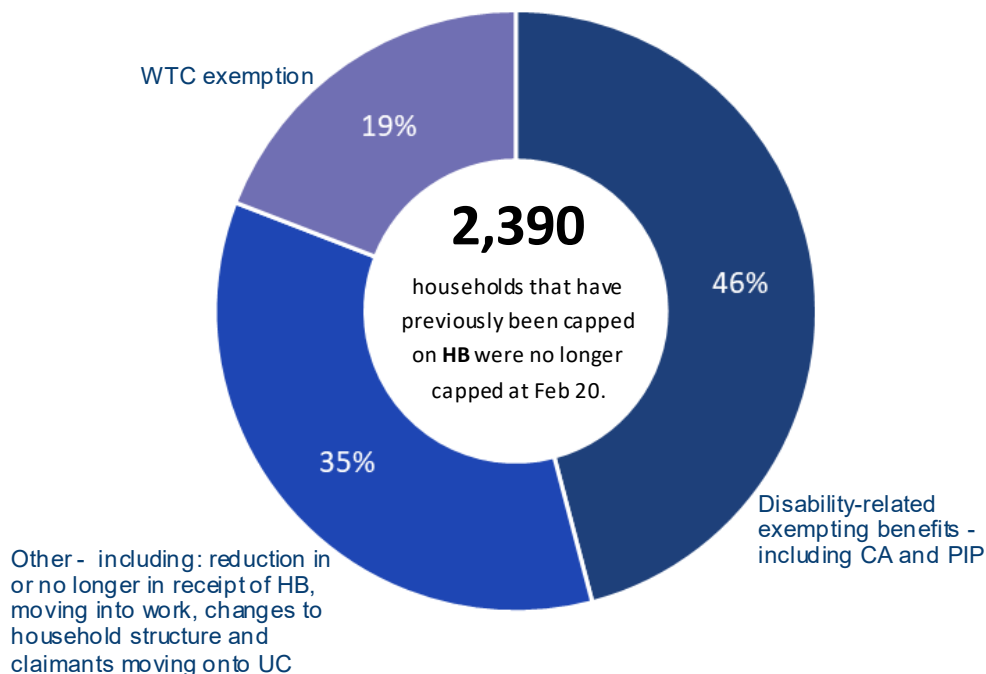
### More Information

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. Therefore, the total number of off-flows at February 2020 cannot be found by summing the HB off-flows and UC off-flows.

# Moving Off the Cap: Housing Benefit Outcomes

**Off-Flows From the Cap by Household Outcome, at February 2020. (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 February 2020. 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 and UC 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, to 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 were to receive a mitigation payment until 31 March 2020. The New Decade, New Approach Deal that was agreed by the local political parties has committed to an extension of this mitigation measure beyond March 2020. The Department is currently working on the necessary legislation to extend the mitigation schemes and the interim period payments are being made to eligible families under the sole authority of the Budget Act.

Households may also become exempt if they made a successful claim for a disability-related exempting benefit such as Carer’s Allowance (CA), Employment and Support Allowance (ESA) or Personal Independence Payment (PIP). Almost half (46%) of households who have moved off the cap from HB as at February 2020 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.

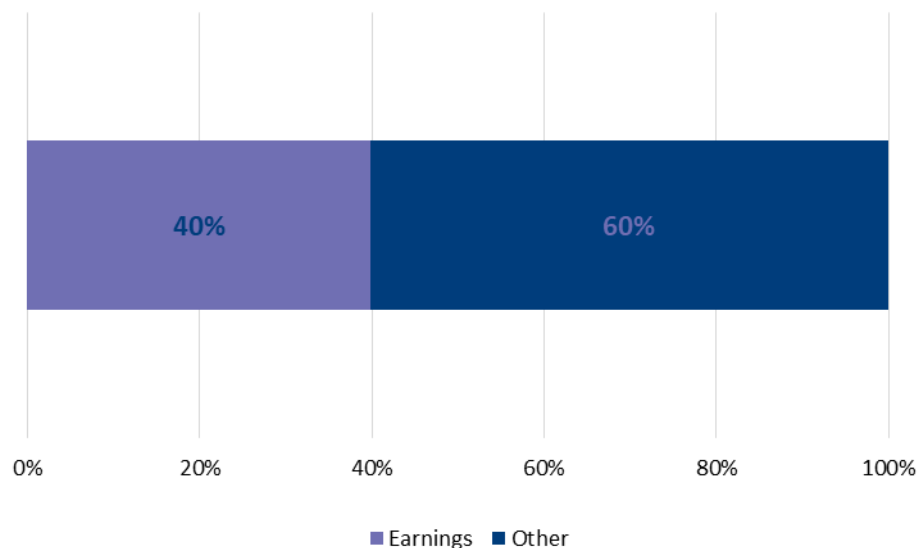
However, some potential reasons could include: cases moving to different accommodation leading to a change in HB award size, a child leaving or joining a household causing benefits to be re-calculated, a partner leaving or joining a household causing benefits to be re-calculated, the claimant moving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

## Moving Off the Cap: Universal Credit Outcomes

250 (40%) previously capped UC households are no longer capped, at February 2020.

Of the 250 households no longer capped on UC at February 2020, 100 (40%) of these moved off the cap as they were earning more than the threshold.

**Off-Flows From the Cap by Household Outcome, at February 2020.  
(Universal Credit Only)**



The earnings exemption threshold changes each financial year.

It has been set at £569 per assessment period for the 2019/20 financial year.

It was £542 per assessment period for the 2018/19 financial year and £520 per assessment period for the 2017/18 financial year.

Other reasons for households moving off the cap under UC include households who have had a reduction in their UC claim, households no longer in receipt of UC and households that have had changes to their structure.

Some households move off the cap under UC for exemption reasons, for example if they are receiving the Carer's Element of UC or if they are in the Limited Capability for Work Related Activity group.

### More Information

Statistics for the reasons why households move off the cap under UC are still being developed. They are not comparable with statistics for the reasons why households move off the cap under HB. Outcomes statistics related to moving into work are not comparable as exemption from the cap under HB is related to hours worked and for UC it is linked to earnings. Therefore, outcomes statistics for those no longer capped on HB and UC are presented separately.

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 February 2020.

## 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 and the destination of off-flows. For HB capped households, other benefits claimed have also been examined. For UC capped households, the destination of off-flows is being developed further.

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 Benefit 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 also contains statistics on the number of households capped through UC.

Since the Universal Credit Full Service system (UCFS) is a live system, the UC figures and the combined HB and UC figures contained within the publication and supplementary tables are subject to scheduled revisions. This is to account for retrospective actions on the UCFS system. These revisions are performed in accordance with T3.9 of the [UK Statistics Authority Code of Practice for Statistics](#).

### 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 February 2020.

**Off-Flows by Outcome:** The number of households who have previously been capped but are no longer subject to the cap in February 2020.

### 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](mailto: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>