

# Benefit Cap: Northern Ireland

## Data to August 2020

Experimental Statistics - 25th November 2020

There is a limit on the total amount of benefit that working age people can get<sup>1</sup>. This is called the Benefit Cap. 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.

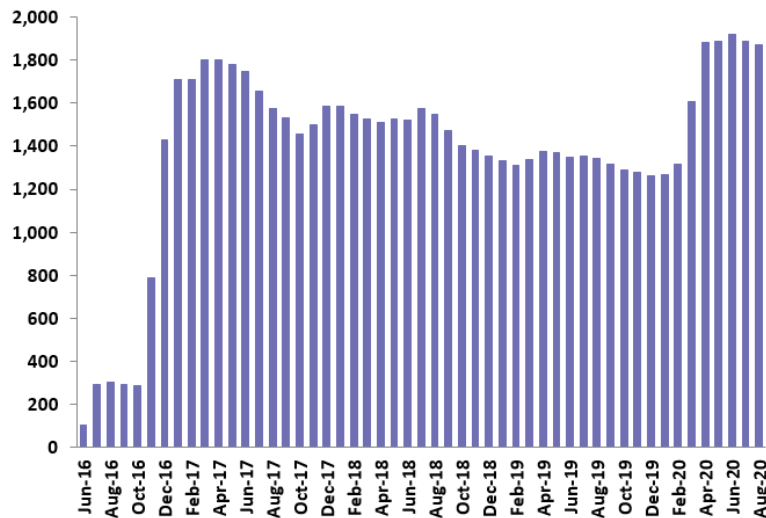
### Main Stories

At August 2020, 1,030 households had their Universal Credit capped and 840 households had their Housing Benefit capped. These represent 0.9% of Universal Credit households and 1.0% of working-age Housing Benefit households respectively.

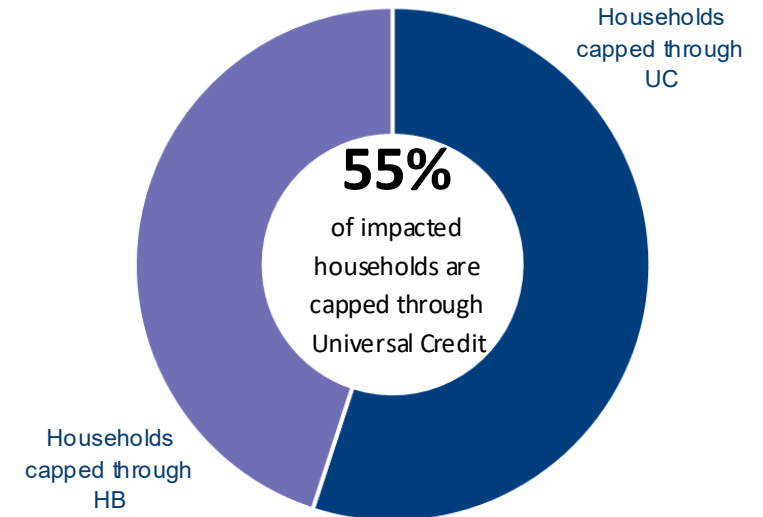
The number of households capped reduced to 1,870 at August 2020 from a high of 1,920 at June 2020.

Average amount capped at August 2020:

1,030 households had Universal Credit capped and 840 households had Housing Benefit capped at August 2020.



**£50  
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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Comments? Feedback is welcome  
[Northern Ireland Benefit Cap statistics feedback survey](#)

Published: 25th November 2020

Next Edition: 24th February 2021

## 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.

There has been no change to the Benefit Cap policy in light of the COVID-19 pandemic.

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.

The Benefit Cap had primarily been administered through a reduction in Housing Benefit. However, administration of the Benefit Cap is now more common through a reduction of UC payments. These reductions ensure that a household's total benefits no longer add up to more than the cap level.

### How is it measured?

The two main sources of Benefit Cap data are the NIHE Single Housing Benefit Extract (SHBE) and the Universal Credit Full Service System (UCFS).

Data on households capped through HB is linked to the Department for Communities (DfC) benefits data to determine the age and number of dependents of these households. This data is available on UCFS for Universal Credit households.

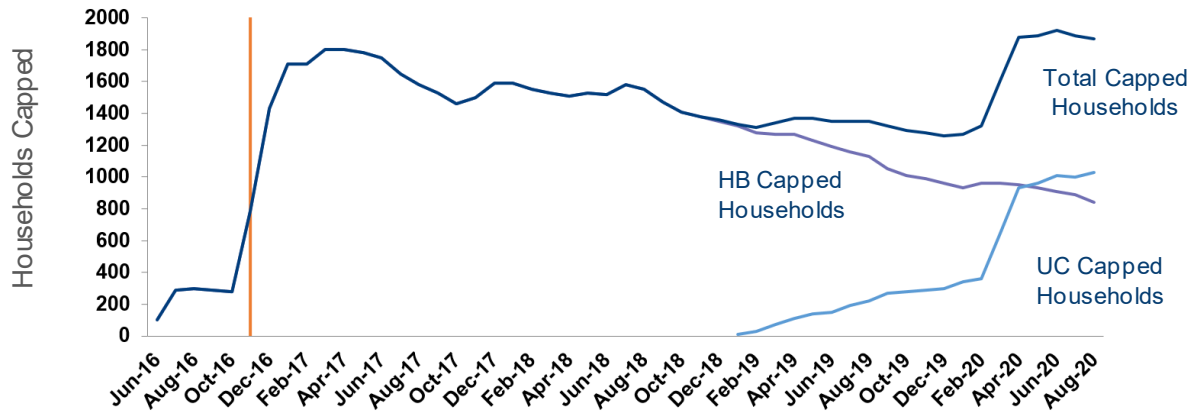
The August publication has been streamlined to report on one measure (previously this was three):  
**Point-in-time caseload** counts the number of capped households each month.

# Number of Capped Households

The number of capped households at each month rose after the introduction of the £20,000 threshold in November 2016, until April 2017. After this time, there was a general decline in the number of capped households, and in December 2019 it reached its lowest level of 1,260 since the £20,000 threshold was introduced. From March 2020, the number of households capped through UC has increased significantly due to a spike in the UC caseload as a result of COVID-19. The total number of households capped has since reduced after it peaked at 1,920 in June 2020.

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

£20,000 cap threshold introduced



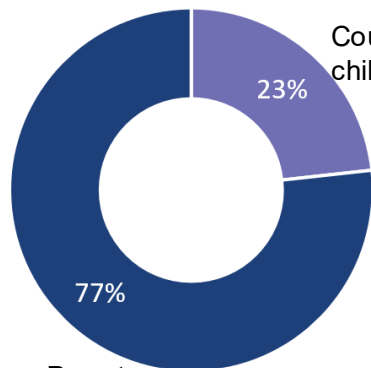
The Benefit Cap was introduced in June 2016 in Northern Ireland with a threshold of £26,000.

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

A total of 1,870 households had their benefits capped in August 2020. Of these, 1,030 were UC capped households and 840 were HB capped households. May 2020 was the first month the number of capped households under UC outnumbered the number of capped households under HB.

The number of UC capped households increased significantly from March 2020 as a result of the impact of COVID-19 on the UC Caseload.

## Percentage of Capped Households by Family Type at August 2020

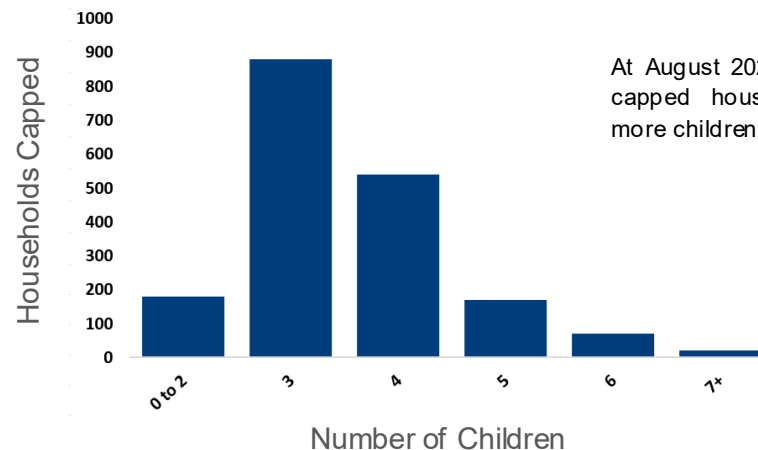


Couple with children

At August 2020, 77% (1,440) of the total capped households were single parent households, while 23% (440) were couples with children.

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.

## Capped Households by Number of Children at August 2020



At August 2020, 90% (1,690) of capped households had 3 or more children.

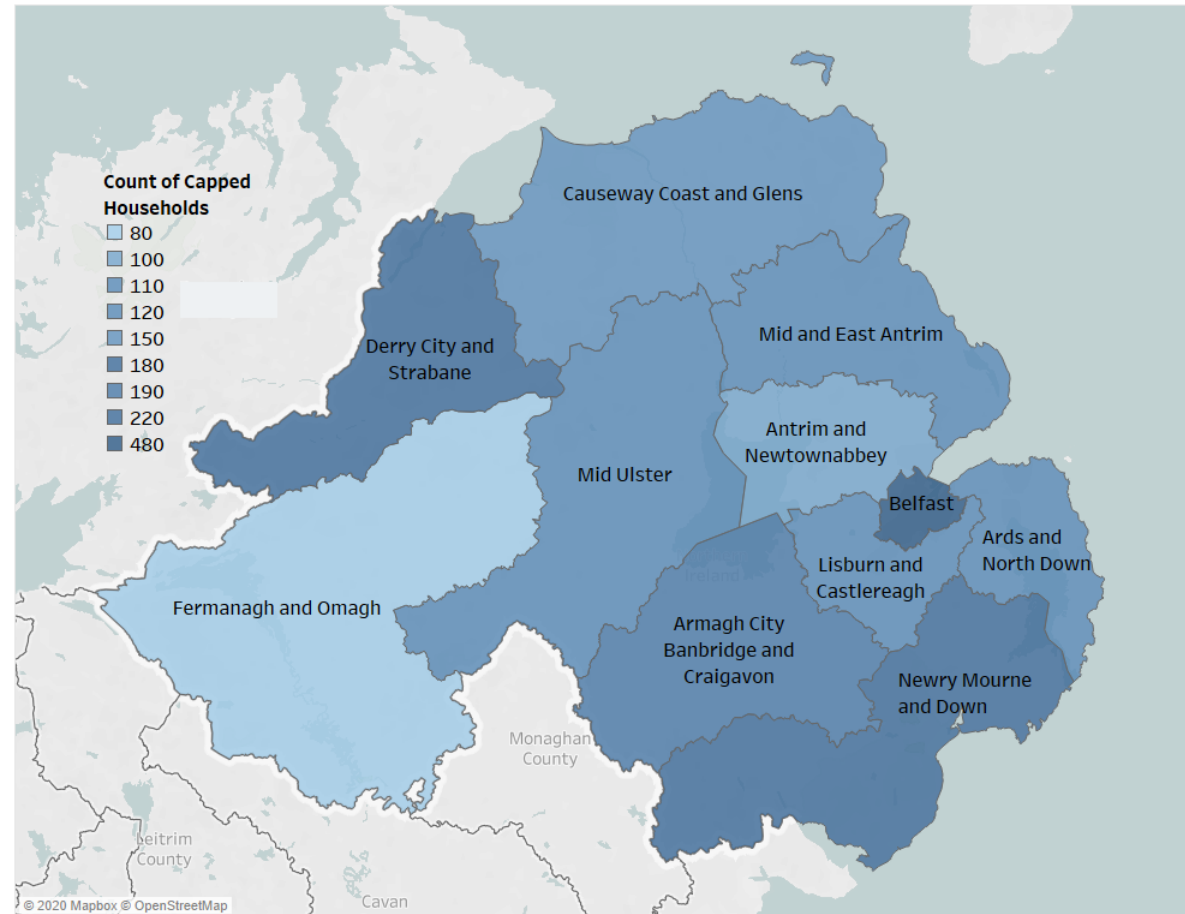
Lone Parent

## Where Capped Households are Located

Belfast has the most capped households with 25% of the NI total (at August 2020) in the Belfast Local Government District (LGD).

### Capped Households by Local Government District at August 2020

Local Government District	Total Number of Households Capped
Belfast	480
Derry City and Strabane	220
Armagh City, Banbridge and Craigavon	190
Newry, Mourne and Down	180
Causeway Coast and Glens	150
Lisburn and Castlereagh	120
Mid Ulster	120
Ards and North Down	110
Mid and East Antrim	110
Antrim and Newtownabbey	100
Fermanagh and Omagh	80
Unknown	20
<b>Total:</b>	<b>1,870</b>



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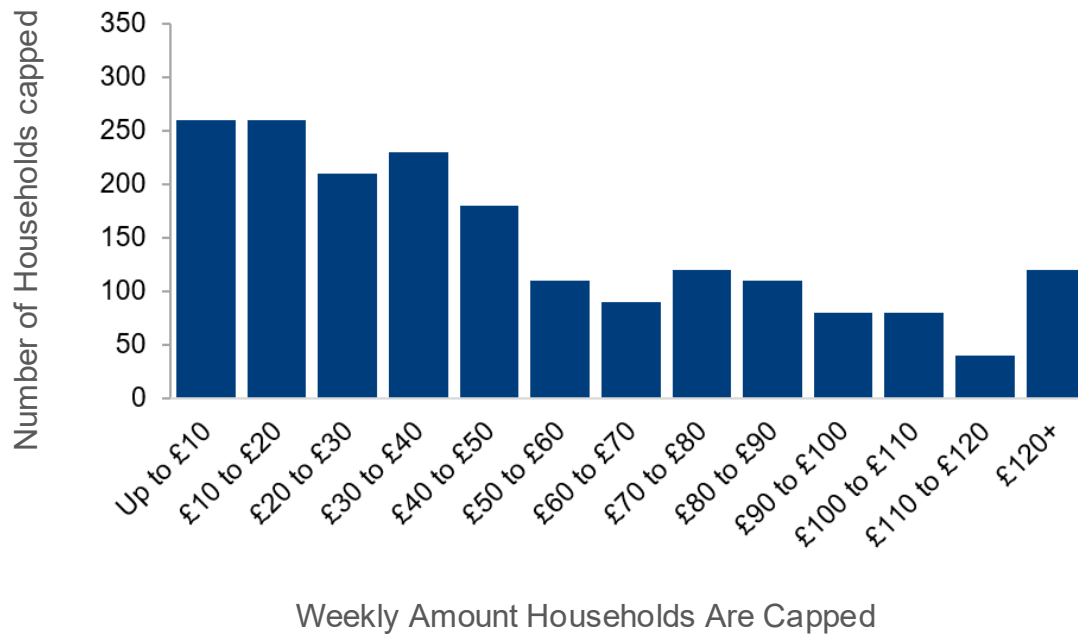
### More information

Figures in table and map are based on the totals of those capped through both HB and UC. Breakdowns for months prior to August 2020 at LGD and Assembly Area (AA) levels are available in Supplementary Table 6.

# 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.

### Capped Households by Weekly Amount Capped at August 2020



The average **weekly** impact of the Benefit Cap in Northern Ireland, during August 2020, was a reduction of £50.

61% (1,140) of all capped households have their benefits capped by less than £50 per week.

12% (230) of all capped households have their benefits capped by £100 or more per week.

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.

## 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 and caseload is broken down by local government district and assembly area.

The two main sources of Benefit Cap data published here are the NIHE Single Housing Benefit Extract (SHBE) and the Universal Credit Full Service System (UCFS). The SHBE is merged with DfC benefit scans to determine the age and number of dependents of capped households. This data is available on UCFS for Universal Credit households. The Benefit Cap had primarily been administered through a reduction in Housing Benefit. However, administration of the Benefit Cap is now more common through a reduction of UC payments as numbers in the report will support.

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.

The August 2020 publication underwent a streamlining exercise as feedback suggested too much data was presented and this detracted from the key statistics.

### 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 2020.

### Further Information

For more information on Benefit Cap statistics, including detailed tables, please visit the [Northern Ireland Benefit Cap statistics website](#)

Alternatively, contact DfC Professional Services Unit at [psu@communities-ni.gov.uk](mailto:psu@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:

[Northern Ireland Benefit Cap statistics feedback survey](#)

More information about the Benefit Cap in general can be found on the [nidirect Benefit Cap website](#).