

Merton Council Benefit Cap factsheet



What is the Benefits Cap?

The benefits cap will limit the total out of work allowances, benefits and tax credits to:

- £350 for single claimants and
- £500 for all other claimants, including couples and lone parents.

Your Housing Benefit could be reduced significantly depending on how much the Department for Work and Pensions tell us you have in excess of one of the above the limits that applies to you and your partner. But there are ways to become exempt from the Benefit Cap.

Exceptions from the benefits cap

The following households (claimant, partner and any children they are responsible for when working out their Housing Benefit) will be exempt from the cap:

Those entitled to or receiving:

- Working Tax Credit (Single people working 16 hours per week and couples 24 hours total per week.)

Those receiving:

- Disability Living Allowance
- Personal Independence Payment (from 10/06/2013)
- Attendance Allowance
- The support component of Employment and Support Allowance
- Industrial Injuries Benefits (and equivalent war disablement pensions and
- Armed Forces Compensation Scheme payments
- War Widows and War Widowers pension and

You will be exempt if:

- You or your partner, if you have one, is of State Pension Credit aged 61½ or born before 06/10/1951.

Claimants who have been in employment for at least 50 or the last 52 weeks or more when they claim benefit will be exempt from the cap for a grace period of up to 39 weeks from when they claim. Then the cap will apply after

Please note that any adult children and non dependants living in a household, and receiving a benefit, do not count as household members for the benefit cap.

Benefits that count towards the benefits cap

- Bereavement Allowance
- Carer's Allowance
- Child Benefit
- Child Tax Credit
- Employment and Support Allowance (except where it is paid with the support component)
- Guardian's Allowance
- Housing Benefit whether paid direct to you or to your landlord (but not including Housing Benefit paid for Supported Exempt Accommodation*)
- Incapacity Benefit
- Income Support
- Jobseeker's Allowance
- Maternity Allowance
- Severe Disablement Allowance
- Widowed Parent's Allowance
- Widowed Mother's Allowance
- Widow's Pension, including the Age-Related component

You can find the full list of those benefits not counted at www.merton.gov.uk/calculatinghb

Please check with Merton Benefits Service if you think you might live in Supported Exempt Accommodation.

Where the benefit cap would not apply

Claimants will not be capped where someone in the household (claimant, partner or any children they are responsible for when working out their Housing Benefit):

- Obtains work and becomes entitled to Working Tax Credit;
- Receives one of the benefits that exempt recipients from the cap (see above).

Claimants may need to consider:

- Moving to cheaper accommodation or
- Negotiating a rent reduction to a level which is more affordable

Examples of the benefit cap

A couple not working get these benefits:
Income Support of £112, Child Tax Credit of £200,
Child Benefit of £100 and Housing Benefit of £288.
Total £700. Loss in Housing Benefit is £200 per week.

A single person not working gets these benefits:
Jobseekers Allowance of £72 and Housing Benefit of
£300. Total £372. Loss in Housing Benefit is £22 per
week.

Where to go for more information

- You can get more information at www.gov.uk/benefit-cap GOV.UK provides information on public services in one place including up to date information on the Housing Benefit changes. There is also an online Benefit cap calculator at the above website.
- Merton Homeless Persons Team can give advice on the changes and your options.
- The Citizens Advice service provides a wide range of advice. To find your local Citizens Advice Bureau, look in the phone book or Yellow Pages, or visit their website at www.mertoncab.org.uk or phone 08444 243 8430 or email advice@mertoncab.org.uk
- Shelter offers confidential housing, welfare benefits and debt advice through a network of advice services; freephone Housing Advice Helpline on 0808 800 4444 8am-8pm Monday-Friday and 8am-5pm Saturday-Sunday and online at england.shelter.org.uk/get advice or www.shelter.org.uk
- **You can download and print this factsheet and get more information on the Benefit Cap at www.merton.gov.uk/calculatinghb**

Useful contacts

Department for Work and Pensions and Jobcentre Plus

To get advice on the Benefit Cap and advice on searching for work:

- Phone the helpline number 0845 605 7064

Merton Benefits Service

To get advice on Housing Benefit and claiming a Discretionary Housing Payment:

- Email Housing.Benefits@merton.gov.uk
- Phone 020 8274 4903
- View our website www.merton.gov.uk/benefits/hb-ctb or www.merton.gov.uk/dhp

Merton Citizens Advice Bureau

Merton CAB offers free, confidential advice face-to-face or by phone. Most CABs also offer home visits, and some give email advice.

- Visit their website at www.mertoncab.org.uk or,
- Phone [08444 243 8430](tel:084442438430)
- Email advice@mertoncab.org.uk

Merton Homelessness Prevention Team or Housing Options

- Phone 020 8545 3733 to discuss your housing options, or
- Email them at housingadvice@merton.gov.uk

National Debt line

National Debt line is a free, confidential service offering independent advice about dealing with debt. You can get information:

- Online at www.nationaldebtline.co.uk or
- Phone the free helpline number [0808 808 4000](tel:08088084000)

Shelter

Shelter offers face-to-face, phone, email and online advice about any housing problems (not just homelessness).

- Visit their website at www.shelter.org.uk , or
- Phone [0808 800 4444](tel:08088004444) ([calls are free from UK landlines and main mobile networks](http://www.shelter.org.uk)).

Tax Credits HM Revenues and Customs

- Phone 0345 300 3900 to speak to HMRC about claiming Working Tax Credit or
- Go to www.hmrc.gov.uk/taxcredits

Welfare Benefits Team

- Phone 020 8545 4178 to discuss maximising benefits, like Disability Living Allowance, Employment and Support Allowance, Personal Independence Payments or
- Email them at welfarebenefitsteam@merton.gov.uk

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