soha

rents

explaining the benefit cap

The benefit cap limits the amount of total benefits a household can receive.

The limit for couples and families is £1666.67 per month and for single people £1116.67 per month. Any amount of benefit that you would receive above this monthly sum is taken away from your Housing Benefit or your Universal Credit. This means that you will need to cover part or some of your rent.

This leaflet is for anyone who will be affected by this change. It outlines what options you have to avoid or lessen the cap.

If you still have questions after reading this booklet, your Soha Rental Income Officer will be able to help. Get in touch using the contact details on the back page.

who does the cap apply to?

First of all we need to make sure the cap applies to you. The cap applies to the total number of people in your household (you, your partner and any children living with you) who receive any of the following benefits:

- Bereavement Allowance
- Child Benefit
- Child Tax Credit
- Employment and Support Allowance (unless you get the 'support' component)
- Housing Benefit
- Incapacity Benefit
- Income Support
- Jobseeker's Allowance
- Maternity Allowance
- Severe Disablement Allowance
- Widowed Parent's Allowance (or Widowed Mother's Allowance or Widows Pension if you started getting it before 9 April 2001)
- Universal Credit (unless Your award includes a limited capability for work and work-related activities)

Carer's Allowance has not been affected by the benefit cap from Autumn 2016. Payments towards a carer's costs paid as part of Universal Credit will not be affected either. However, this may happen at a later date.

You're not affected by the cap if anyone in your household qualifies for Working Tax Credit or gets any of the following benefits:

- Armed Forces Compensation Scheme
- Armed Forces Independence Payment
- Attendance Allowance
- Carers Allowance or the carer element included in their Universal Credit award
- Constant Attendance Allowance
- Disability Living Allowance (DLA)
- Employment and Support Allowance (if you get the support component)
- Guardian's allowance
- Industrial Injuries Benefits (and equivalent payments as part of a War Disablement Pension or the Armed Forces Compensation Scheme)
- Personal Independence Payment (PIP)
- Universal Credit payment for 'limited capability for work and work-related activity'
- War pensions
- War Widow's or War Widower's Pension

If you have adult children or adult non-dependants living with you and they qualify for any of these benefits, the cap may affect you. This is because they're not usually included in your household (this is a rule made by the Department of Work and Pensions in 2016).

your options if you are affected by the benefit cap

doing nothing is not an option!

It is very important that you don't ignore the cap. If you do, you could get into arrears with your rent account and your tenancy could be at risk. If you are not sure what would be best for your circumstances, please speak to us.

employment

If you receive Universal Credit and you or your partner work, and your income is above a set limit - currently £617 (equivalent to 16 hours per week at the living wage) net per month or more - you would not be affected by the cap.

qualify for working tax credits

If you do not receive Universal Credit you may qualify for Working Tax Credits. You need to work a minimum of 16 hours a week as a single person or 24 hours as part of a couple with one of you working 16 of those 24 hours. You can find out more about Working Tax Credit at www.gov.uk/working-tax-credit

help with childcare

The cost of childcare does not have to be a barrier to you going to work. You may be eligible for up to 15 hours a week free childcare from the government if your child is over two years old.

Anyone claiming Universal Credit can get up to 85% of monthly eligible childcare costs, currently up to a maximum of £646.35 for one child or £1,108.04 for two or more children. If you are on working tax credits it is up to 70% of eligible childcare costs. Speak to your local Job Centre if you believe you should receive help. You can find out more by visiting www.gov.uk/find-free-early-education or by speaking to your local authority or children's centre.

claim disability benefits for a member of your household (if eligible)

If a member of your household has a physical or mental health issue which could be defined as a disability, they could be eligible for

- Personal Independence Payment (PIP)
- Disability Living Allowance (DLA) if under 16,
- Carer's Allowance if looking after somebody who is disabled, even if they don't live with you.

For information regarding disability benefits see our website www.soha.co.uk or www.turn2us.org.uk

claim discretionary housing payment from your local authority

If none of the options above apply to you, a temporary solution could be to apply for Discretionary Housing Payment (DHP) from your local council. They can help to cover some or all of your housing-related benefit shortfall with DHP.

DHP is available for a fixed period to give you time to look at other options, such as moving in to work or moving to cheaper accommodation. This option is probably best for those people affected by the cap whose children are too young for them to consider working or who are waiting for a decision about other benefits.

You can apply for DHP by visiting your local council's website or asking Soha to send you a paper form. We may even be able to help you submit your application.

move to cheaper accommodation

There may be cheaper accommodation in your area that you could consider moving to in order to reduce the amount of benefit you lose. Check your local authority's website or consider mutually exchanging homes with someone else via www.homeswapper.co.uk.

pay the shortfall from your existing income

If you feel the amount being deducted from your benefit (that is, the shortfall you have to pay under the benefit cap) is affordable, you may want to consider covering the shortfall from your ongoing benefits. This is only really an option if the amount being deducted from your benefit is very small and you are confident that you can cover the shortfall for as long as you need to.

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