

## Housing Benefit Circular

Department for Work and Pensions  
Caxton House, Tothill Street, London SW1H 9NA

# HB A23/2013

### ADJUDICATION AND OPERATIONS CIRCULAR

<b>WHO SHOULD READ</b>	All Housing Benefit (HB) staff
<b>ACTION</b>	For information
<b>SUBJECT</b>	Benefit cap: dual cases in different local authorities

### Guidance Manual

The information in this circular does affect the content of the HB/CTB Guidance Manual. Please annotate this circular number against *paragraph 5.20 – 5.159*

### Queries

If you

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at:<https://www.gov.uk/government/collections/housing-benefit-for-local-authorities-circulars>
- have any queries about the
  - **technical content of this circular**, contact:  
[la-benefit.capnational@dw.p.gsi.gov.uk](mailto:la-benefit.capnational@dw.p.gsi.gov.uk)
  - **distribution of this circular**, contact:  
[housing.correspondenceandpqs@dw.p.gsi.gov.uk](mailto:housing.correspondenceandpqs@dw.p.gsi.gov.uk)

### Crown Copyright 2013

Recipients may freely reproduce this circular.

Contents

Para

**Benefit cap: dual cases in different local authorities**

Background.....	1
Process design .....	3
Capping process.....	8
Examples of how the cap should be administered.....	Annex 1

## Benefit cap: dual cases in different local authorities

### Background

1. In circular HB [A15/2013](#) we told local authorities (LAs) that we were still considering the process to cap claimants who had two current HB claims in different LAs. The Department for Work and Pensions (DWP) has undertaken detailed analysis of these claims and has identified around 500 cases that the Belfast Cap Calculation Team (BCCT) need to review to decide if the cap is appropriate. We have now completed a process design and therefore the BCCT will begin contacting LAs to complete their review.
2. There are two types of dual claims:
  - the first is where the cap applies only if both HB awards are taken into account
  - the second is where the cap could apply to one HB award only, however, the deduction increases if both HB awards are taken into account

### Process design

3. The process design caters for both types of dual claims. As part of their review of the claim the BCCT will contact the LA responsible for the latest HB claim using the LA/DWP email notification template advising that the claimant is a potential dual claim and that a cap could apply. The BCCT will include the other LA's contact details on the template, including an email address.
4. The LA that received the template will be responsible for contacting the second LA to confirm the rate of HB in payment, and confirming if the accommodation is considered Supported Exempt Accommodation (SEA). The email notification template has been amended to include details of the dual claims.
5. The LA should then return the template to the BCCT, within 7 calendar days, confirming:
  - the claimant is entitled to receive two HB payments
  - the current rate of both HB payments
  - whether either claim relates to SEA
6. The BCCT will then complete their review and decide if a cap is appropriate. If no response to the template has been received in 7 days, DWP will contact the LA by telephone to discuss the case.
7. Each month the BCCT will undertake a review of dual cases. This will include using the email template to contact the LA responsible for the latest HB claim to confirm that the case is still a dual case.

## **Capping process**

8. If the BCCT decide that a cap is appropriate they will issue an “apply cap notification” to the LA responsible for the latest HB claim. They will also send the LA/DWP email template to the LA to confirm an “apply cap notification” has been sent that relates to a dual claim. The LA will liaise with the second LA to agree the reduction on each of the HB claims. The BCCT will include contact details for the second LA on the LA/DWP email notification. The cap should be applied from the Monday following each LA’s decision that a cap should apply.
9. The amount of reduction to each of the HB claims should be apportioned depending on the amounts of HB in payment. This follows the same rules as the cap for dual claims in the same LA. The LA should apportion the cap pro-rata over the two HB claims. For example, if the claimant receives HB of £100 and £80, and DWP benefits of £400. Once the cap has been applied, the HB due to be paid will be £56 on the first claim and £44 on the second (always round to the nearest £1).
10. Where one HB award is for SEA, any deduction should be made first from the other HB award, and only from the SEA award where there is insufficient to make the full deduction.
11. Examples of how the cap should be administered can be seen at annex 1 of this circular.

## **Changes of circumstances**

12. If the claimant has a change of circumstances and the cap needs amending, or removing the BCCT will send the revision notice to the first LA, who will need to liaise with the second LA to adjust the cap accordingly.
13. The BCCT will also send the LA/DWP email template to the LA to confirm a dual case revise cap notification has been sent.

Annex 1

**This table provides an example of how the cap should be administered when the claimant only goes above the cap when both HB claims are included in the calculation:**

Current benefits in payment		Benefits in payment after cap calculation	
Income Support	£71.70	Income Support	£71.70
Child Tax Credit	£115.10	Child Tax Credit	£115.10
Child Benefit	£33.70	Child Benefit	£33.70
First HB claim	£235.00	First HB claim	£123.00
Second HB claim	£300.00	Second HB claim	£157.00
Total Benefits in payment	£755.50	Total Benefits in payment	£500.50
Total over cap limit	£255.50		

**This table provides an example of how the cap should be administered for claimants who are in scope for a cap with one HB claim but the size of the cap would increase if the other HB award was taken into account:**

Current benefits in payment		Benefits in payment after cap calculation	
Income Support	£71.70	Income Support	£71.70
Child Tax Credit	£115.10	Child Tax Credit	£115.10
Child Benefit	£33.70	Child Benefit	£33.70
First HB claim	£300.00	First HB claim	£129.00
Second HB claim	£350.00	Second HB claim	£151.00
Total Benefits in payment	£870.50	Total Benefits in payment	£500.50
Total over cap limit	£370.50		