

# Benefit cap? How to improve your financial situation

## Does the benefit cap affect you?

If you are working age and get benefits like Income Support, income-related Employment and Support Allowance (irESA), income-based Jobseeker's Allowance (ibJSA), Housing Benefit, Child Tax Credit or Universal Credit, the government may limit (cap) the amount of weekly benefit for you and your family to the following **benefit cap amounts**:

- £385 per week for couples with or without children, and for single people with children
- £258 per week for single people without children

The government's benefit cap means that your Housing Benefit or Universal Credit is reduced.

## You can avoid the benefit cap if:

- You are not getting Housing Benefit for people below Pension Credit age (check your Pension Credit age: [www.gov.uk/state-pension-age](http://www.gov.uk/state-pension-age))
- You have reached Pension Credit age – but the cap still applies if you or your partner gets Income Support, irESA or ibJSA
- You get Pension Credit or 'pension age' Housing Benefit
- You, your partner or children get a disability benefit like Disability Living Allowance (DLA) or Personal Independence Payment (PIP), Attendance Allowance and so on
- You or your partner is in the ESA 'support group' or the equivalent in Universal Credit (you pass the 'limited capability for work related activity' test – see factsheet: [www.newcastle.gov.uk/benefitinformation](http://www.newcastle.gov.uk/benefitinformation))
- You or your partner get Industrial Injuries Benefit or a War Pension
- You or your partner are entitled to Working Tax Credit (even if you don't get it as your income's too high)
- You or your partner get Universal Credit, work and your joint earnings are more than £569 (may change April 2020) per month after tax, National Insurance and any pension scheme contributions
- You are in special accommodation that provides care and support
- You are entitled to get Carer's Allowance, your Universal Credit has a 'carer's element', or you get Guardian's Allowance

The benefit cap may also not apply for a certain amount of time if you have been working recently. The amount of time depends on whether you get Universal Credit or Housing Benefit.

These are just examples and more rules apply.

Get more information about the benefit cap and exemptions at [www.gov.uk/benefit-cap](http://www.gov.uk/benefit-cap) and [www.citizensadvice.org.uk/benefits/the-benefit-cap](http://www.citizensadvice.org.uk/benefits/the-benefit-cap)

**If the benefit cap applies to you, it means less money for you and it might make it more difficult to pay your rent and other bills. But, there are things that you can do to try to improve your financial situation. Please read on ...**



## 1. Check your benefit entitlement

- Visit [www.entitledto.co.uk/help/benefits-cap](http://www.entitledto.co.uk/help/benefits-cap) to check if you can keep the full amount of Housing Benefit or Universal Credit, as you may be exempt from the benefit cap.
- Check whether you have claimed all the benefits that you are entitled to. To do this, and to find out more about different benefits, visit [www.newcastle.gov.uk/welfarerights](http://www.newcastle.gov.uk/welfarerights).
- Phone Newcastle City Council's **Welfare Rights Service** on **0191 277 2627** (Monday to Friday from 9.30am to 12 noon) to get advice about your benefits or the benefit cap.

## 2. Try to reduce costs and save money on your bills

- **If other adults live in your home** make sure that they pay their fair share of the household bills, such as board, heating and electric.
- **If you rent from a private landlord** you could ask your landlord to reduce your rent, if you think they would agree to do this. You could also apply for a **Discretionary Housing Payment (DHP)** if you are struggling to pay your rent. A DHP can help to pay your rent for a temporary short-term period. To find out how to make a DHP claim, phone Newcastle City Council on 0191 278 7878, call into the nearest Newcastle City Council Customer Service Centre or go online and visit [www.newcastle.gov.uk/benefits-and-council-tax](http://www.newcastle.gov.uk/benefits-and-council-tax).
- **Council Tax** – If you are on a low income you can claim **Council Tax Support**. If you are the only adult living in your home you can claim a **25% single person discount**. To check if you are eligible for discounts and to find out about the **Council Tax Hardship Scheme**, phone Newcastle City Council on 0191 278 7878, call into the nearest Customer Service Centre or visit [www.newcastle.gov.uk/benefits-and-council-tax](http://www.newcastle.gov.uk/benefits-and-council-tax).
- **Energy bills** – You may be able to save money on your energy bills if you change supplier. Free access to a computer and help to find where this information is on the Internet is available from Newcastle City Council's Customer Service Centres and libraries. You need to have your annual energy statement with you, as it shows how much you pay and use. Go online and visit [www.newcastle.gov.uk/ebd](http://www.newcastle.gov.uk/ebd) for more information. If you're worried about your electricity and gas bills, or you are having problems heating your home, phone Newcastle City Council's Energy Services on 0191 278 3427 or email [energy@newcastle.gov.uk](mailto:energy@newcastle.gov.uk)
- **Water bills** – If you are struggling to pay your water bills ask Northumbrian Water to check if you qualify for any discounts. Phone 0345 733 5566, email [SupportPLUS@nwl.co.uk](mailto:SupportPLUS@nwl.co.uk) or visit [www.nwl.co.uk/your-home/your-account/Difficulty-paying.aspx](http://www.nwl.co.uk/your-home/your-account/Difficulty-paying.aspx)
- **Free school meals** – To check if your children are entitled, phone 0191 278 7878 or visit [www.newcastle.gov.uk/services/schools-learning-and-childcare/help-school-and-learning-costs/apply-free-school-meals](http://www.newcastle.gov.uk/services/schools-learning-and-childcare/help-school-and-learning-costs/apply-free-school-meals)
- **Health costs** – If you are on a low income or have certain medical conditions you may get help with health costs. Phone the NHS advice line on 0300 330 1343 or go online and visit [www.nhs.uk/NHSEngland/Healthcosts/Pages/help-with-health-costs.aspx](http://www.nhs.uk/NHSEngland/Healthcosts/Pages/help-with-health-costs.aspx)
- **Travel costs** – You could be paying too much for your travel costs. It is cheaper to buy weekly or monthly tickets if you use public transport often. Also, children who live in Tyne and Wear aged between 5 and 15 years old on 31 August can get an **Under 16 Pop card** that entitles them to discounted travel. There is more information at [www.nexus.org.uk](http://www.nexus.org.uk).
- **Food shopping** – To save money on your food shopping try to:
  - Cook your own food whenever you can as it's cheaper than eating out and buying takeaways. If a busy life makes cooking difficult, try to plan meals in advance.
  - Go food shopping with a list and compare prices between different shops.

- **Household goods** – Avoid costly high street credit if you need to buy items for your home.
  - **If you have a support worker** ask if they can apply to any **charities** for help or to Newcastle City Council's **Supporting Independence Scheme (SIS)** which can provide basic household goods to help to prevent people from becoming homeless. Visit [www.newcastle.gov.uk/sis](http://www.newcastle.gov.uk/sis).
  - The **Social Fund still awards budgeting loans** to help people pay for essential things, such as furniture, clothes, moving costs or hire purchase debts. To qualify, you or your partner must have been getting one of these benefits for at least 26 weeks: Income Support, income-based JSA, income-related ESA or Pension Credit. Visit [www.gov.uk/budgeting-loans/overview](http://www.gov.uk/budgeting-loans/overview).
  - **If you claim Universal Credit you can apply for a Universal Credit Budgeting Advance** for one-off expenses, such as furniture or household equipment, clothing, rent in advance, essential home improvements, travel to work costs, maternity and funeral expenses, and help to obtain or remain in work, such as upfront child care costs. You must have been getting Universal Credit for at least six months. This replaces the Social Fund budgeting loans for people on Universal Credit. Go online and visit [www.gov.uk/universal-credit/other-financial-support](http://www.gov.uk/universal-credit/other-financial-support)
  - **Fair For You** provide low cost loans at fair prices for new branded white goods and furniture, such as beds, mattresses, sofas, pushchairs and prams. Their loan calculator lets you check how much the loan will cost you in total. Go online and visit [www.fairforyou.co.uk](http://www.fairforyou.co.uk).
  - Check out **charity shops** for second-hand goods.
- **Insurances, telephone, Internet expenses and other costs** – Shop around and compare prices to get the best deal. Go online and visit [www.moneysavingexpert.com](http://www.moneysavingexpert.com) for tips on saving money.
- **Saving can also cut your costs!** – Join Moneywise Credit Union to start saving for next Christmas, birthdays and other one-off expenses. Saving money upfront for the things you need costs less than borrowing money and paying it back with interest on top. Phone Moneywise on 0191 276 7963 or go online and visit [www.moneywise.org.uk](http://www.moneywise.org.uk).
- **Smoking** – There is support available to help people to quit smoking. Phone Newcastle Stop Smoking Service on 0191 269 1103 or go online and visit [www.nhs.uk/smokefree](http://www.nhs.uk/smokefree).
- **For more information on how to save money**, go online and visit: [www.moneyadvice.org.uk/en/categories/budgeting-and-managing-money](http://www.moneyadvice.org.uk/en/categories/budgeting-and-managing-money)

### 3. Get debt advice if you are in debt or struggling to pay your bills

There are national organisations that provide trustworthy free debt advice by phone and online:

- **National Debtline** – phone 0808 808 4000 (free) or go online and visit [www.nationaldebtline.org](http://www.nationaldebtline.org)
- **Citizens Advice** – phone 0344 245 1288 or go online and visit [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

The above organisations have met the standards set by the Money Advice Service, an independent service set up by the government to help people to get free and independent money advice. To find other organisations that meet these standards, go online and visit [www.moneyadvice.org.uk/en/tools/debt-advice-locator](http://www.moneyadvice.org.uk/en/tools/debt-advice-locator)

**Local telephone and face-to-face debt advice is available from:**

- **Money Matters** – Phone 0191 277 1050 (Monday to Friday from 8.30am to 4.30pm) or call into the Housing Advice Centre on Pilgrim Street.
- **Citizens Advice Newcastle** – Phone 0300 330 9055 or go online and visit [www.citizensadvice-newcastle.org.uk](http://www.citizensadvice-newcastle.org.uk) for contact details and opening hours.

## 4. Find work or increase your hours if you are already working

There are several organisations in Newcastle that can help you to improve your skills, prepare for work and find work. Some of them are listed below:

- **Newcastle City Learning** provides support with English, maths, IT and vocational courses. Phone 0800 073 0911 or go online and visit [www.newcastlecitylearning.ac.uk](http://www.newcastlecitylearning.ac.uk).
- **Go Digital Newcastle's online map** has information about where IT training is available in Newcastle. Go online and visit [www.getonlinenewcastle.co.uk](http://www.getonlinenewcastle.co.uk) to search for places.
- **The Skills Hub** provides training and job advice. Phone 0191 277 4125 or go online and visit [www.newcastle.gov.uk/services/libraries-and-culture/skills-and-business-services/skills-hub](http://www.newcastle.gov.uk/services/libraries-and-culture/skills-and-business-services/skills-hub)
- **Jobcentre Plus** supports unemployed people on benefits to move into paid employment. This could include work experience, job trialling schemes and help to find training and work. Go online and visit [www.gov.uk/contact-jobcentre-plus](http://www.gov.uk/contact-jobcentre-plus).
- **Newcastle City Council's Supported Employment Service** helps disabled people to prepare for and find employment, including help with training, getting work experience and gaining qualifications. Phone 0191 211 6279 for more information.

Information about more organisations that provide employment support is available online at [www.newcastlesupportdirectory.org.uk](http://www.newcastlesupportdirectory.org.uk)

## 5. Look to move to more affordable accommodation

There are a number of housing options available in Newcastle:

- **Tyne and Wear Homes** is the scheme that you need to register for to rent a Council home from Your Homes Newcastle (YHN) or a property from some housing associations in the city. To register, go online and visit [www.tyneandwearhomes.org.uk](http://www.tyneandwearhomes.org.uk). If you need any support, YHN have a dedicated Housing Options team that can help you with your application for a home – email [tyneandwearhomes@yhn.org.uk](mailto:tyneandwearhomes@yhn.org.uk).
- **Housing associations** are independent, not for profit organisations that provide low cost social housing. They provide property to rent in Newcastle and they may also have property available for shared ownership. Housing associations make different decisions depending on your needs and the demand for housing in the area. For more information, go online and visit [www.newcastle.gov.uk/services/housing/housing-advice-and-homelessness](http://www.newcastle.gov.uk/services/housing/housing-advice-and-homelessness)
- **Private rented accommodation** – There is furnished and unfurnished accommodation available to rent privately in Newcastle, ranging from bedsits to houses. Newcastle City Council's Private Rented Service helps people to find private rented accommodation by providing details of landlords and a weekly list of available properties. This service gives advice to both tenants and landlords – email [privaterentedservice@newcastle.gov.uk](mailto:privaterentedservice@newcastle.gov.uk) or go online and visit [www.privaterentedservice.co.uk](http://www.privaterentedservice.co.uk)

**If you are worried about losing your home or you need housing advice, contact the Housing Advice Centre** by email at [housingadvicecentre@newcastle.gov.uk](mailto:housingadvicecentre@newcastle.gov.uk) or phone 0191 277 1711. Staff at the Housing Advice Centre will assess your situation and give you free confidential advice to try to help you keep your home or to assist you to find one that meets your needs. For more information, visit [www.newcastle.gov.uk/services/housing/housing-advice-and-homelessness](http://www.newcastle.gov.uk/services/housing/housing-advice-and-homelessness)

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