

# Overall Benefit Cap (OBC) Analysis

Comparative analysis of current OBC data against forecasted impact and current caseload

GIBBS, RUSSELL

## Table of Contents

Capped Claim Movement .....	2
Total Capped Claims & Average Cap: January 2017 to December 2017 .....	2
Length of cap: January 2017 to December 2017 .....	3
General .....	4
Totals: DWP Predicted Cap Data vs January 2018 Cap .....	4
Broad Distribution: DWP Predicted Cap Data vs January 2018 Cap .....	4
Detailed Distribution: DWP Predicted Cap Data vs January 2018 Cap.....	5
General Notes .....	5
Age Analysis .....	6
Age: DWP Predicted Cap Data vs January 2018 Cap .....	6
Age: January 2018 Cap vs Caseload .....	6
Age Summary .....	6
Tenancy Analysis .....	7
Tenancy Type: DWP Predicted Cap Data vs January 2018 Cap .....	7
Tenancy Type: January 2018 Cap vs Caseload .....	7
Tenancy Summary.....	8
Household.....	10
Household Type: DWP Predicted Cap Data vs January 2018 Cap .....	10
Household Type: January 2018 Cap vs Caseload .....	10
Household Summary.....	10
Main Income .....	11
Income: DWP Predicted Cap Data vs January 2018 Cap .....	11
Income: January 2018 Cap vs Caseload .....	11
Tenancy Summary.....	11
Ethnicity .....	13
Ethnicity: DWP Predicted Cap Data vs January 2018 Cap .....	13
Ethnicity: January 2018 Cap vs Caseload .....	13
Ethnicity Summary .....	13
Ward Analysis .....	14
Ward: DWP Predicted Cap Data vs January 2018 Cap .....	14
Ward: January 2018 Cap vs Caseload .....	15
Ward Summary .....	15

# Capped Claim Movement

This section provides an overview of the monthly capped caseload snapshots between January 2017 and December 2017 and how the number of claims and average weekly cap as varied during that time frame.

## Total Capped Claims & Average Cap: January 2017 to December 2017

Table 1: Capped Caseload & Average Cap Movement

Tenure	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
<b>Total Capped</b>	1145	1290	1246	1309	1321	1340	1308	1264	1215	1203	1199	1168
<b>Average Cap</b>	£60	£60	£60	£58	£59	£58	£58	£55	£57	£55	£54	£53

Chart 1: Capped Caseload movement

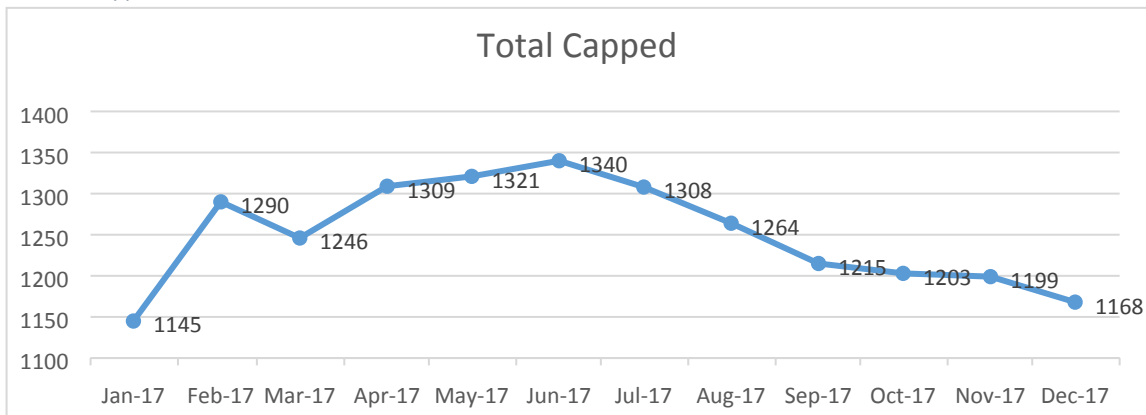
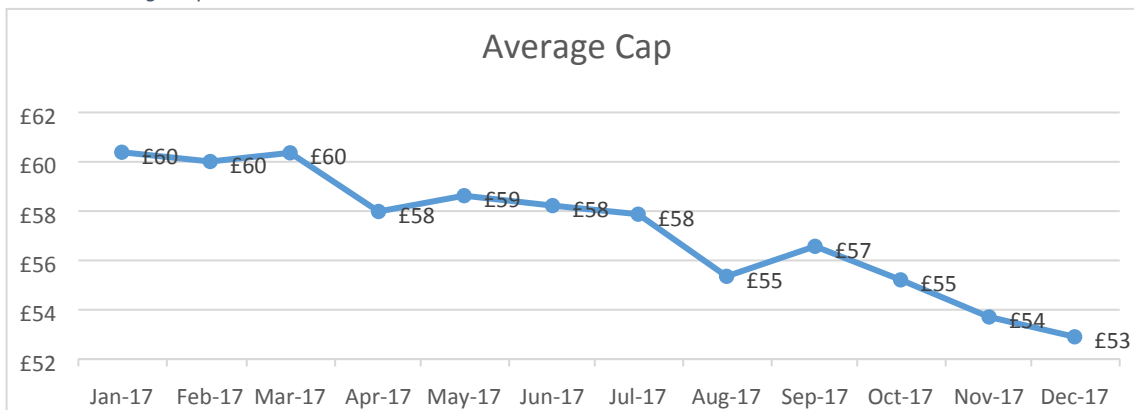


Chart 2: Average cap movement



- Caseload in January 2017 was 1145 but it seemed at the time that not all claims being impacted by the lower cap had come through. This seemed to be confirmed by the fact that in February the capped caseload jumped up by 12% to 1290. By June 2017 the capped caseload had reached 1340.
- Since June 2017 the capped caseload has steadily decreased, reaching 1168 by December 2017.
- The average cap has decreased from £60 to £53 per week between January 2017 and December 2017.

## Length of cap: January 2017 to December 2017

Table 2: Length of Cap

Claims Capped in January 2017					
Total Months Capped (Jan 17 to Dec 17)	No Break in Cap		Break in cap		Total Capped
	Number	% of Total Capped	Number	% of Total Capped	
1	28	2%		0%	28
2	84	7%	2	0%	86
3	51	4%	7	1%	58
4	42	4%	8	1%	50
5	63	6%	12	1%	75
6	40	3%	10	1%	50
7	61	5%	8	1%	69
8	40	3%	11	1%	51
9	31	3%	10	1%	41
10	37	3%	20	2%	57
11	49	4%	26	2%	75
12	505	44%		0%	505
<b>Total</b>	<b>1031</b>	<b>90%</b>	<b>114</b>	<b>10%</b>	<b>1145</b>

- 56% (640) of claims capped at January 2017 ceased being subject to the cap during the 12 months that followed. However 18% (114) of those returned to being capped during that same time frame.
- 44% (505) of claims capped at January 2017 were still capped 12 months later.

## General

This section provides an overview of all capped claims based on a snapshot of the capped caseload in January 2018 along with some comparative analysis against predicted cap data based on DWP information provided in September 2016.

### Totals: DWP Predicted Cap Data vs January 2018 Cap

Table 3: Totals - DWP predicted vs Jan 18 Actuals

General						
Description	DWP Predicted Cap (Sep 17)		January 2018 Actual Data		Difference	
	Capped	Average Cap	Capped	Average Cap	Capped Claims	Cap Amount
Total Claims	1878	£64.89	1129	£52.65	-749	-£12.24

### Broad Distribution: DWP Predicted Cap Data vs January 2018 Cap

Table 4: Broad Distribution - DWP predicted vs Jan 18 Actuals

Broad Cap Distribution					
Range	DWP Predicted Cap (Sep 16)		January 2018 Actual Data		Distribution Difference
	Capped	%	Capped	%	
£0 to £99.99	1565	83%	1017	90%	7%
£100 to £199.99	210	11%	87	8%	-3%
£200 to £299.99	73	4%	20	2%	-2%
£300 to £399.99	19	1%	3	0%	-1%
£400 to £499.99	8	0%	1	0%	0%
£500 to £599.99	3	0%	1	0%	0%

## Detailed Distribution: DWP Predicted Cap Data vs January 2018 Cap

Table 5: Detailed Distribution - DWP predicted vs Jan 18 Actuals

Detailed Cap Distribution					
Range	DWP Predicted Cap (Sep 16)		January 2018 Actual Data		Distribution Difference
	Capped	%	Capped	%	
£0 to £24.99	462	25%	299	26%	2%
£25 to £49.99	580	31%	405	36%	5%
£50 to £74.99	319	17%	207	18%	1%
£75 to £99.99	204	11%	106	9%	-1%
£100 to £124.99	73	4%	31	3%	-1%
£125 to £149.99	75	4%	25	2%	-2%
£150 to £174.99	39	2%	16	1%	-1%
£175 to £199.99	23	1%	15	1%	0%
£200 to £224.99	31	2%	9	1%	-1%
£225 to £249.99	22	1%	6	1%	-1%
£250 to £274.99	14	1%	3	0%	0%
£275 to £299.99	6	0%	2	0%	0%
£300 to £324.99	2	0%	0	0%	0%
£325 to £349.99	10	1%	1	0%	0%
£350 to £374.99	5	0%	1	0%	0%
£375 to £399.99	2	0%	1	0%	0%
£400 to £424.99	3	0%	1	0%	0%
£425 to £449.99	2	0%	0	0%	0%
£450 to £474.99	1	0%	0	0%	0%
£475 to £499.99	2	0%	0	0%	0%
£500 to £524.99	0	0%	0	0%	0%
£525 to £549.99	2	0%	0	0%	0%
£550 to £574.99	1	0%	1	0%	0%

### General Notes

- Actual number of claims capped is almost 40% lower than that which had been anticipated by the initial DWP scan data provided in September 2016, with total predicted claims being 1878 and figure at January 2018 being 1129
- Average actual cap is £12.24 (19%) lower than expected, being £52.65 in January 2018 against a predicted average cap of £64.89.
- The reduction in the overall average cap is borne out in the cap bandings with the number of cases capped between £0 to £100 per week increasing to 90% from the 83% originally predicted.

## Age Analysis

This section provides an overview of claims as broken down by Age bands, based on a snapshot of the caseload in January 2018 along with some comparative analysis against predicted cap data based on DWP information provided in September 2016 and the total HB caseload at January 2018.

### Age: DWP Predicted Cap Data vs January 2018 Cap

Table 6: Age- DWP predicted vs Jan 18 Actuals

Age Breakdown								
Description	DWP Predicted Cap (Sep 17)			January 2018 Actual Data			Difference	
	Capped	%	Average Cap	Capped	%	Average Cap	Distribution	Cap Amount
18-24	96	5%	£52.39	46	4%	£30.95	-1%	-£21.45
25-34	480	26%	£69.00	274	24%	£57.62	-1%	-£11.38
35-44	629	33%	£71.27	343	30%	£57.13	-3%	-£14.14
45-54	474	25%	£60.10	305	27%	£51.19	2%	-£8.91
55-64	194	10%	£48.93	161	14%	£43.60	4%	-£5.33

### Age: January 2018 Cap vs Caseload

Table 7: Age- Jan 18 Caseload vs Capped

Age Breakdown						
Description	January 2018 Caseload		January 2018 Capped Claims			caseload % vs capped % variance
	Number	% of caseload	Capped	% of capped	Average Cap	
18-24	792	2%	46	4%	£30.95	2%
25-34	4874	14%	274	24%	£57.62	10%
35-44	8653	25%	343	30%	£57.13	5%
45-54	8399	24%	305	27%	£51.19	3%
55-64	5295	15%	161	14%	£43.60	-1%

### Age Summary

- Distribution of the cap between the age groups is broadly in line with the DWP's predicted cap data.
- Most affected group still 35-44, accounting for 30% of all capped claims, and the second highest average cap at £57.13
- 18-24 group see the biggest decrease in average cap (£21.45) reducing from £52.39 per week to £30.95, and representing a 41% change.
- 35-44 group see the second biggest decrease to cap at £14.14 (20%)
- Lowest change to cap is the 55-64 age group at only £5.33 per week.

## Tenancy Analysis

This section provides an overview of claims as broken down by broad tenancy type, based on a snapshot of the caseload in January 2018 along with some comparative analysis against predicted cap data based on DWP information provided in September 2016 and the total HB caseload at January 2018.

### Tenancy Type: DWP Predicted Cap Data vs January 2018 Cap

Table 8: Tenancy Type - DWP predicted vs Jan 18 Actuals

Income Type	Broad Tenancy Types							
	DWP Predicted Cap (Sep 17)			January 2018 Actual Data			Difference	
	Capped	%	Average Cap	Capped	%	Average Cap	Distribution	Cap Amount
Council Tenant (BHP)	37	2%	£51.72	23	2%	£41.64	0%	-£10.08
Housing Association	393	21%	£66.04	198	18%	£51.10	-3%	-£14.94
Mixed (TA & Social Care)	25	1%	£144.08	21	2%	£49.56	1%	-£94.52
Private Tenant	1301	69%	£57.67	830	74%	£48.56	4%	-£9.11
Temporary Accommodation (TA)	117	6%	£125.75	57	5%	£123.08	-1%	-£2.67

### Tenancy Type: January 2018 Cap vs Caseload

Table 9: Tenancy Type - Jan 18 Caseload vs Capped

Income Type	Broad Tenancy Types					
	January 2018 Caseload		January 2018 Capped Claims			caseload % vs capped % variance
	Number	% of caseload	Capped	% of capped	Average Cap	
Council Tenant (BHP)	4762	14%	23	2%	£41.64	-12%
Housing Association	11823	34%	198	18%	£51.10	-16%
Mixed (TA & Social Care)	207	1%	21	2%	£49.56	1%
Private Tenant	16668	48%	830	74%	£48.56	26%
Temporary Accommodation (TA)	1208	3%	57	5%	£123.08	2%

Chart 3: HB Caseload Distribution by Tenancy

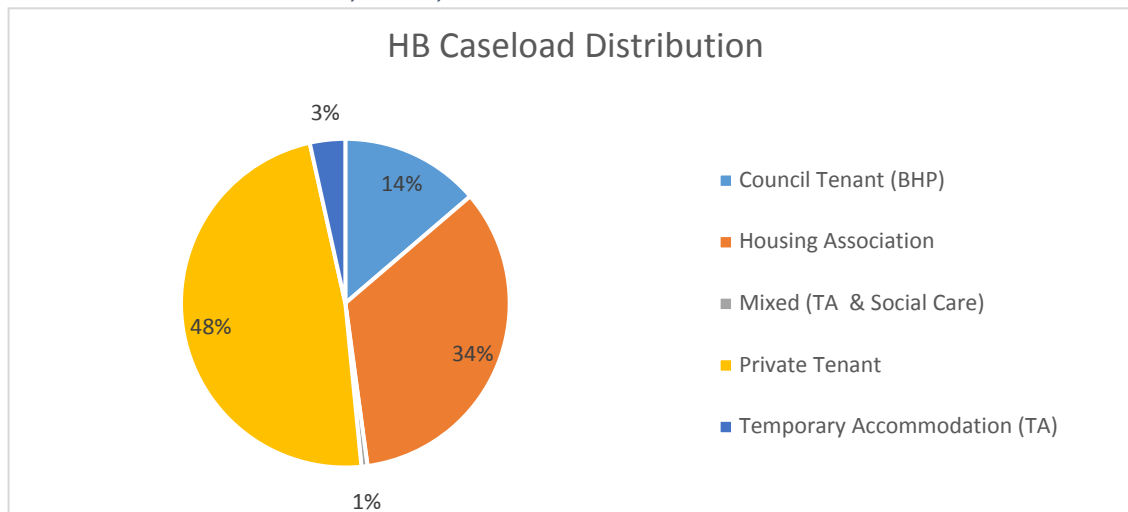




Chart 4: Capped Caseload Distribution by Tenancy

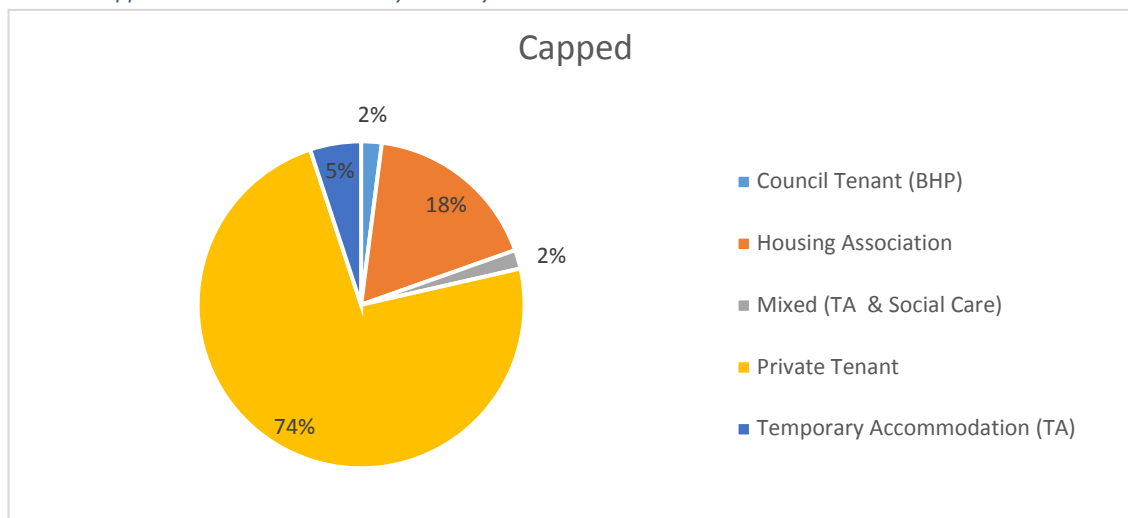


Table 10: Average HB Eligible Rent by Tenancy

Average HB Eligible Rents (January 2018)		
Broad Tenancy Type	Average Eligible Rent (Capped Claims)	Average Eligible Rent (All Claims)
Council Tenant (BHP)	£155.89	£121.77
Housing Association	£242.52	£178.08
Mixed (Temporary Accommodation & Social Care)	£320.34	£345.99
Private Tenant	£293.92	£282.92
Temporary Accommodation	£349.18	£363.92

## Tenancy Summary

- Distribution between tenancy types is largely in line with the predicted cap data from September 2016, with the largest movements being a 4% increase to Private tenants - now representing 74% of all capped claims - and a 3% decrease to Housing Association claims, now making up 18% of all capped claims.
- Tenancy types that have seen the most notable change to the average cap are (see Table 8):
  - Mixed TA & Social care down by 66% (£94.52) from £144.08 to £49.56. NOTE: these only comprise of 21 claims in total (2% of the capped caseload)
  - Housing Association claims have reduced by 23% from £66.04 to £51.10 (£14.94 reduction)
- At 74%, the proportion of claims capped in the private sector is 26% higher than seen in the overall HB caseload where they make up 48% of claims (see Chart 3 & Chart 4)
- Conversely, at 18%, the proportion of housing association claims is 16% lower than seen in the overall HB caseload where they make up 34% of claims. (see Chart 3 & Chart 4)
- The disproportionate number of capped claims in Housing Association and Private tenancies can in part be attributed to the fact that rents are 59% (£104.85) higher in the private sector.
- Additionally, 41% of HB claims for single customers are found in the private sector and 39% in Housing Association properties.
- Taking into account
  - the significant difference in average HB eligible rents

- that the new lower level of cap exposes many more single customers to being affected
- that 80% of single customer are split almost equally between HA's and the Private Sector

It is not unexpected to see that of single customers affected by the cap, 84% are found in the private sector and only 14% in Housing Association tenancies.

## Household

This section provides an overview of claims as broken down by household type, based on a snapshot of the caseload in January 2018 along with some comparative analysis against predicted cap data based on DWP information provided in September 2016 and the total HB caseload at January 2018.

### Household Type: DWP Predicted Cap Data vs January 2018 Cap

Table 11: Household Type - DWP predicted vs Jan 18 Actuals

Household Type Breakdown								
Description	DWP Predicted Cap (Sep 17)			January 2018 Actual Data			Difference	
	Capped	%	Average Cap	Capped	%	Average Cap	Distribution	Cap Amount
Single People	808	43%	£40.17	535	47%	£40.00	4%	-£0.18
Couples	3	0%	£18.90	3	0%	£29.98	0%	£11.08
Single Parents	753	40%	£76.15	439	39%	£61.98	-1%	-£14.17
Families	314	17%	£101.94	152	13%	£70.66	-3%	-£31.28

### Household Type: January 2018 Cap vs Caseload

Table 12: Household Type - Jan 18 Caseload vs Capped

Household Type Breakdown						
Description	January 2018 Caseload		January 2018 Capped Claims			caseload % vs capped % variance
	Number	% of caseload	Capped	% of capped	Average Cap	
Single People	17140	49%	535	47%	£40.00	-2%
Couples	2151	6%	3	0%	£29.98	-6%
Single Parents	8239	24%	439	39%	£61.98	15%
Families	7229	21%	152	13%	£70.66	-7%

### Household Summary

- Broadly in keeping with DWP predicted cap data, though a slightly higher proportion of capped claims being single parents at 47% vs 43% previously
- Conversely slightly less Families proportionately affected at 13% down from 17%
- Families see the biggest variance in their average cap with a decrease of £31.28 (31%), going from £101.94 to £70.66 per week
- Single parents see the next biggest variance with a decrease of £14.17 (19%) per week, going from £76.15 to £61.98.
- Single Parents are the most disproportionately affected group, making up only 24% of the total HB caseload but 39% of all capped claims (therefore negatively impacted)
- The other three groups are less disproportionate when looked at against the proportion of the HB caseload they make up, and for all three groups that variance is positive (i.e. they make up a smaller proportion of capped claims than they do the total caseload).

## Main Income

This section provides an overview of claims as broken down by main income type, based on a snapshot of the caseload in January 2018 along with some comparative analysis against predicted cap data based on DWP information provided in September 2016. No real comparative analysis is made with regard to the total HB caseload at January 2018 given that the nature of the benefit cap is based upon being out of work or working too few hours. It should also be noted that the below tables only represent the main income types which represents around 92% of primary incomes for capped claims.

### Income: DWP Predicted Cap Data vs January 2018 Cap

Table 13: Main Income Type - DWP predicted vs Jan 18 Actuals

Main Income Types								
Income Type	DWP Predicted Cap (Sep 17)			January 2018 Actual Data			Difference	
	Capped	%	Average Cap	Capped	%	Average Cap	Distribution	Cap Amount
Income Support	526	28%	£72.98	282	25%	£60.79	-3%	£-12.19
Job Seekers Allowance	607	32%	£47.20	367	33%	£42.21	0%	£-5.00
Employment Support Allowance	372	20%	£63.99	223	20%	£58.37	0%	£-5.62
Earned Income	229	12%	£86.30	137	12%	£59.18	0%	£-27.12
Self Employed	51	3%	£85.67	31	3%	£55.73	0%	£-29.94

### Income: January 2018 Cap vs Caseload

Table 14: Main Income Type - Jan 18 Caseload vs Capped

Main Income Types						
Income Type	January 2018 Caseload		January 2018 Capped Claims			caseload % vs capped % variance
	Number	% of caseload	Capped	% of capped	Average Cap	
Income Support	1879	5%	282	25%	£60.79	20%
Job Seekers Allowance	1862	5%	367	33%	£42.21	27%
Employment Support Allowance	5756	17%	223	20%	£58.37	3%
Earned Income	12161	35%	137	12%	£59.18	-23%
Self Employed	2994	9%	31	3%	£55.73	-6%

## Tenancy Summary

- No discernible difference between the DWP predicted cap data and January 2018 data in terms of the proportion of capped claims receiving a particular benefit. The only small variance is in those receiving Income Support which sees that reduce from 28% of capped claims to 25%.
- Those in receipt of Income support now have the highest cap at £60.79 per week, though this is £12.19 less than predicted in by the DWP.

- The main notable difference is in the average cap amount which sees the Earned Income and Self Employed groups with the largest reduction in average caps:
  - Earned Income average cap reduced by £27.12 (31%), going from £86.30 to £59.18
  - Self Employed Income average cap reduced by £29.94 (35%), going from £85.67 to £55.73

## Ethnicity

### Ethnicity: DWP Predicted Cap Data vs January 2018 Cap

Table 15: Ethnicity - DWP predicted vs Jan 18 Actuals

Broad Ethnicity Breakdown								
Description	DWP Predicted Cap (Sep 16)			January 2018 Actual Data			Difference	
	Capped	%	Average Cap	Capped	%	Average Cap	Distribution	Cap Amount
Asian	222	12%	£74.10	113	10%	£60.30	-2%	£-13.80
Black	520	28%	£66.36	269	24%	£52.15	-4%	£-14.21
Mixed	86	5%	£75.23	51	5%	£44.66	0%	£-30.57
White	372	20%	£57.03	217	19%	£51.80	-1%	£-5.23
Not Held	595	32%	£62.66	427	38%	£52.56	6%	£-10.10
Other	83	4%	£71.56	52	5%	£50.68	0%	£-20.88

### Ethnicity: January 2018 Cap vs Caseload

Table 16: Ethnicity - Jan 18 Caseload vs Capped

Broad Ethnicity Breakdown						
Description	January 2018 Caseload		January 2018 Capped Claims			caseload % vs capped % variance
	Number	% of caseload	Capped	% of capped	Average Cap	
Asian	4026	12%	113	10%	£60.30	-2%
Black	6269	18%	269	24%	£52.15	6%
Mixed	946	3%	51	5%	£44.66	2%
White	6700	19%	217	19%	£51.80	0%
Not Held	15630	45%	427	38%	£52.56	-7%
Other	1188	3%	52	5%	£50.68	1%

### Ethnicity Summary

- Given that we do not hold ethnicity details for 45% of the HB caseload and 38% of the capped caseload, caution should be applied in any conclusions drawn from looking at distribution and average caps by ethnicity
- In terms of distribution, largely in line with the DWP predicted cap data with the largest variance (outside of the “Not Held” group) to this being that the proportion of the black ethnicity group decreases by 4%; from 28% in the predicted data to 24% at January 2018
- The largest average cap is found in the Asian group at £60.30 per week

## Ward Analysis

This section provides an overview of claims as broken down by ward, based on a snapshot of the caseload in January 2018 along with some comparative analysis against predicted cap data based on DWP information provided in September 2016 and the total HB caseload at January 2018.

### Ward: DWP Predicted Cap Data vs January 2018 Cap

Table 17: Wards - DWP predicted vs Jan 18 Actuals

Ward Breakdown								
Ward	DWP Predicted Cap (Sep 16)			January 2018 Actual Data			Difference	
	Capped	%	Average Cap	Capped	%	Average Cap	Distribution	Cap Amount
Harlesden	274	15%	£64.14	132	12%	£50.85	-3%	-£13.29
Stonebridge	204	11%	£69.85	117	10%	£56.73	0%	-£13.12
Kensal Green	162	9%	£56.04	114	10%	£52.15	1%	-£3.89
Dollis Hill	137	7%	£66.91	102	9%	£51.42	2%	-£15.49
Dudden Hill	138	7%	£63.30	102	9%	£48.27	2%	-£15.03
Willesden Green	146	8%	£62.10	89	8%	£44.22	0%	-£17.89
Mapesbury	146	8%	£50.52	85	8%	£46.23	0%	-£4.29
Kilburn	126	7%	£60.67	84	7%	£43.89	1%	-£16.78
Welsh Harp	59	3%	£74.78	42	4%	£65.75	1%	-£9.03
Queens Park	66	4%	£44.02	39	3%	£47.57	0%	£3.55
Unknown	39	2%	£123.02	34	3%	£85.88	1%	-£37.14
Brondesbury Park	59	3%	£75.58	29	3%	£46.02	-1%	-£29.56
Sudbury	35	2%	£53.55	24	2%	£69.45	0%	£15.90
Fryent	27	1%	£69.97	22	2%	£57.72	1%	-£12.25
Barnhill	50	3%	£80.06	21	2%	£57.17	-1%	-£22.88
Queensbury	27	1%	£87.11	19	2%	£56.11	0%	-£31.00
Alperton	39	2%	£72.70	18	2%	£68.29	0%	-£4.41
Preston	36	2%	£61.26	17	2%	£61.40	0%	£0.15
Tokyington	39	2%	£84.19	16	1%	£42.32	-1%	-£41.87
Wembley Central	39	2%	£55.23	13	1%	£44.39	-1%	-£10.84
Northwick Park	18	1%	£63.55	7	1%	£112.22	0%	£48.67
Kenton	12	1%	£54.99	3	0%	£12.61	0%	-£42.38

## Ward: January 2018 Cap vs Caseload

Table 18: Wards - Jan 18 Caseload vs Capped

Ward Breakdown						
Ward	January 2018 Caseload		January 2018 Capped Claims			caseload % vs capped % variance
	Number	% of caseload	Capped	% of capped	Average Cap	
Harlesden	3365	10%	132	12%	£50.85	2%
Stonebridge	3434	10%	117	10%	£56.73	0%
Kensal Green	2144	6%	114	10%	£52.15	4%
Dollis Hill	1724	5%	102	9%	£51.42	4%
Dudden Hill	1911	5%	102	9%	£48.27	4%
Willesden Green	2596	7%	89	8%	£44.22	0%
Mapesbury	1952	6%	85	8%	£46.23	2%
Kilburn	2712	8%	84	7%	£43.89	0%
Welsh Harp	1414	4%	42	4%	£65.75	0%
Queens Park	1194	3%	39	3%	£47.57	0%
Unknown	575	2%	34	3%	£85.88	1%
Brondesbury Park	1293	4%	29	3%	£46.02	-1%
Sudbury	1233	4%	24	2%	£69.45	-1%
Fryent	1017	3%	22	2%	£57.72	-1%
Barnhill	1716	5%	21	2%	£57.17	-3%
Queensbury	945	3%	19	2%	£56.11	-1%
Alperton	1067	3%	18	2%	£68.29	-1%
Preston	1134	3%	17	2%	£61.40	-2%
Tokyngton	1091	3%	16	1%	£42.32	-2%
Wembley Central	1238	4%	13	1%	£44.39	-2%
Northwick Park	565	2%	7	1%	£112.22	-1%
Kenton	439	1%	3	0%	£12.61	-1%

## Ward Summary

- In terms of distribution, largely in line with the DWP predicted cap data with the largest variance being a reduction of 3% in the Harlesden ward, reducing from the 15% predicted to 12% at January 2018
- However, at 12% the Harlesden Ward still has the largest proportion of capped claims followed by Stonebridge and Kensal Green respectively, each at 10%
- Harlesden and Stonebridge wards also have the highest proportion of HB recipients at 10% each
- The 5 wards with the most capped claims are Harlesden, Stonebridge, Kensal Green, Dollis Hill and Dudden Hill in that order
- The 5 most affected wards is negatively disproportionate when compared against the proportion of HB claims in those wards. These 5 wards account for 36% of the total HB caseload but 50% of all capped claims
- Of the Top 5 affected wards
  - the largest variance in average cap (between predicted and current data) is a reduction of £15.49 in Dollis Hill, going from £66.91 to £51.42.
  - the largest average cap is in Stonebridge at £56.73