

**Content item name\***

Benefit Cap - applying the Benefit Cap to a Universal Credit claim

**Alternative names** *(enter any other names that staff or public might use to refer to this item)*

Benefit Cap

**Summary\***

How to proceed when a Universal Credit payment has been recalled so that the Benefit Cap can be applied to a claimant's Universal Credit award

**Content\***

If a Universal Credit payment has been successfully recalled, the account developer (AD) applies the Benefit Cap to a claimant's Universal Credit award.

The AD accesses the Document Repository System (DRS) and finds the latest UC6 with the Benefit Cap calculation

The AD accesses the Manual Payment Tool and selects 'Missed AP'. This enables the AD to:

- calculate the amount due (the difference between the amount the Universal Credit Agent Portal wants to pay (and the amount the Benefit Cap is exceeded by) less any deductions
- generate a decision outcome notification
- generate a completed UC6 with the Benefit Cap calculation
- create a payment instruction (UCPI)

See Using the Manual Payment Tool.

The AD notes the UC6 with the new amount of Universal Credit payable after any deductions

1. Uploads the UC6 and a copy of the Manual Payment tool calculation to DRS.
2. Makes an ad-hoc payment of Universal Credit to the claimant by completing a document of authority payment instruction. See Issuing manual payments.
3. Issues the UC371 (Manual Universal Credit decision notification) created by the MPT. See Claims administration overview. The Benefit Cap reduction details will be recorded in section 4 of the UC371.

If the Benefit Cap is being applied for the first time, the AD issues a UC360 to the claimant. See 'Issuing the UC360' below

If the claimant's entitlement to Universal Credit has changed and the Benefit Cap still applies, see 'Notifying the Local Authority of a new Benefit Cap or change to the Universal Credit amount were a Benefit Cap still applies' below.

If the Benefit Cap is unchanged the AD sets a CAMLite task to review the Benefit Cap for the next assessment period. See 'Creating a CAMLite task to review the Benefit Cap' below.

### **Issuing the UC360**

After completing the Benefit Cap calculation using the MPT, the AD will be able to create a completed a UC360. When produced, a copy of the UC360 will be saved automatically to the SoS folder for uploading to DRS.

The AD:

1. Prints the UC360 and issues a copy to the claimant. If the claimant has a partner a separate notification is sent to them.
2. Creates a Work Services Platform (WSP) task and updates the notes:
  - Type: Immediate
  - Notes: 'Claimant is subject to Benefit Cap discuss support available'

See Work Services Platform - setting a task.

### **Notifying the local authority of a new Benefit Cap or change to the Universal Credit amount were a Benefit Cap still applies**

If a new Benefit Cap has been applied, or a change to the claimant's circumstances has altered their rate of entitlement to Universal Credit and the benefit cap still applies, the AD checks if the Local Council Tax Reduction Interest (LCTR) is set.

The AD:

1. Accesses the Claim admin homepage.
2. Selects 'View claim data history'.
3. Identifies if the LCTR interest is set:
  - if the LCTR interest is not set the AD creates a CAMLite Task to review the Benefit cap - see 'Creating a CAMLite task to review the Benefit Cap' **below**
  - if the LCTR interest is set **the** AD attaches the UC371 (manual Universal Credit decision notification) to an email and sends it to the local authority via the Secure and Auditable Routeway (see Secure and Auditable email procedures)

## **Creating a CAMLite task to review the Benefit Cap**

The AD:

1. Creates a CAMLite task with the following details:
  - Task Type: Payment
  - Sub Type:
  - Start task from: 1 day after the assessment period ends
  - SLA: 1 day
  - Notes: 'Claimant has Benefit Cap. Review current AP to see if Benefit Cap still applies'
  - Assigned to: UC – Benefit Cap
- See CAMLite and Work Services Platform notes.
2. Updates CAMLite Contact history that a Benefit Cap applies, notification has been issued and Work Services have been advised
3. Uploads all notifications to DRS. Notifications will include the UC360 and the UC371 (manual Universal Credit decision notification).
- .
4. Exits all claimant records.