

Households benefit capped more than double pre-pandemic level

179,000 households are hit by the benefit cap, and more than 8 in 10 are families with children

Numbers capped increased over the pandemic

The number of households having their benefits capped is **132% higher** than before the pandemic (February 2020-August 2021). Many households capped since the start of the pandemic have not been able to escape it by increasing their working hours or income. Capped households have their benefits limited to £20,000 a year, or £23,000 in London or £13,400/£15,410 in London for single people without children. With the cost of living rising they will face impossible choices over whether to spend their limited income on food, bills or rent.





Families with children hit the hardest

149,000 capped households are families, who are considerably worse off. The cap takes no account of factors like size of a family. Families' weekly average loss under the cap has increased by 12% (£6.26) since the start of the pandemic to £57.71, compared to a 3% rise for households without children.



Huge increase in capped single adults



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The number of single people who are benefit capped grew more than five fold in the pandemic. 1 in 6 (18%) capped households now live alone. In London it is 38%. The cap puts people at risk of rough sleeping: single people who cannot pay their rent may find it more difficult to access homelessness assistance.

82% of those whose benefits are capped are **families with children**. 63% (113,000 households) are lone parents, who may face additional barriers returning to work in order to escape the cap.

6 in 10 are lone parents



Budgets squeezed by cap across England

Single parent with 2 children in 3 bedroom home

Broad Rental Market Area (BRMA) Capped International Composition C

In **7 in 10 (68%)** areas in England, a lone parent with 2 children in a modest 3 bedroom home would be benefit capped. To escape the cap, a single parent has to single-handedly work more hours and care for their children. Such a family would be capped everywhere in the South East, South West and London and in most of the West Midlands and East of England.

> If a family moves to escape the cap, they face losing access to schools, childcare and a support network

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Scrap the benefit cap

The cap is arbitrary and unfair and it **must be scrapped.** It forces families to make impossible choices between keeping up with the rent and paying for food and other essentials.

Sources

Numbers of households claiming Universal Credit or Housing Benefit who have their benefits capped taken from DWP, <u>Benefit cap: number of households caped to August 2021</u> and DWP, Statexplore, accessed 16th December 2021.

The map of where a lone parent family with 2 children would be benefit capped refers to a single parent claiming Universal Credit including housing element and child benefit renting a three bedroom home at the Local Housing Allowance rate in their area. Local Housing Allowance rates are taken from Valuation Office Agency, <u>'LHA Rates Tables 2021-22'</u>, January 2021. Base map of broad rental market areas in England is from Valuation Office Agency, <u>Broad Rental Market Area boundary layer for Geographical Information System (GIS)</u>, June 2020.