



# Benefit Cap

Data to August 2016

Quarterly

Great Britain  
Published: 3 November 2016

Official Statistics

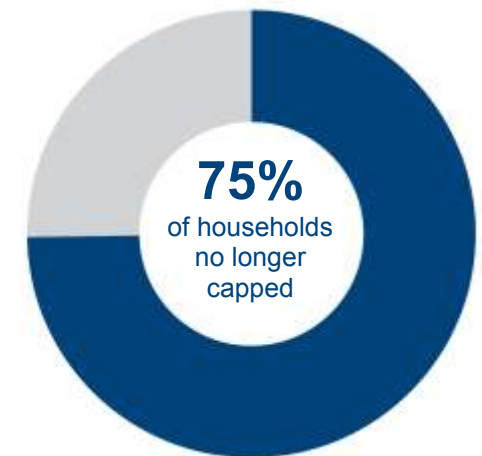
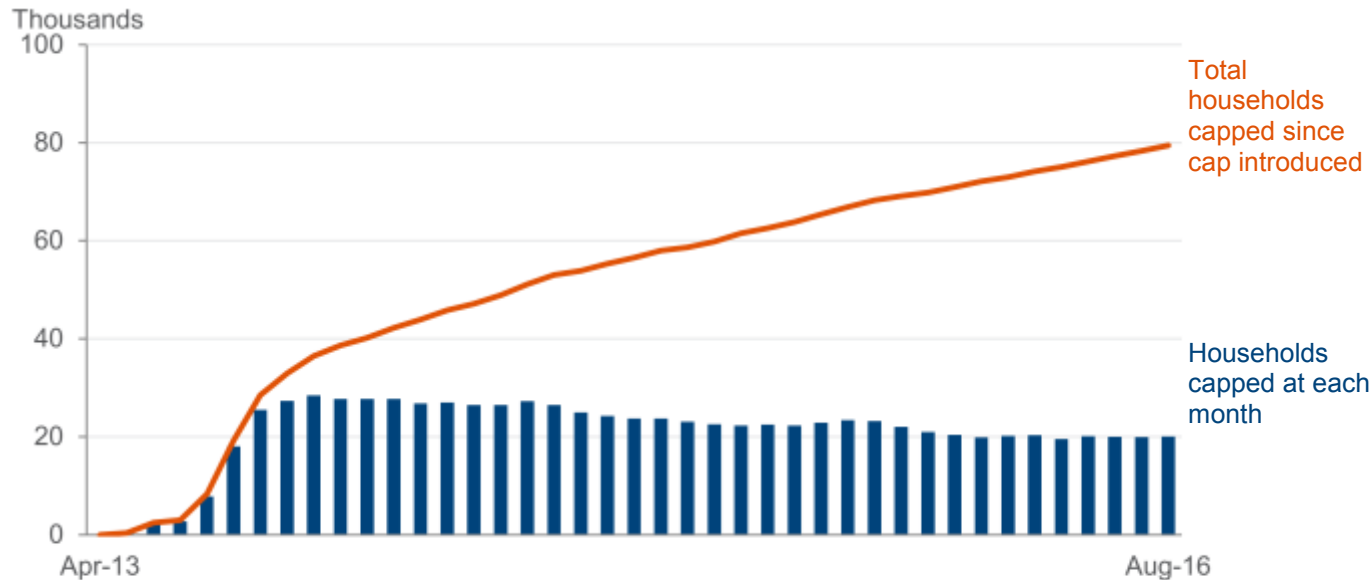
There is a limit on the total amount of benefit that most people aged 16 to 64 can get. This is called the benefit cap. This means that, in general, households on out-of-work benefits no longer receive more in welfare payments than the average weekly wage for working households.

## Main stories

79,000 households have had their benefits capped between 15 April 2013, when the benefit cap was introduced, and August 2016.

**20,000 capped households** at August 2016

**59,000 households no longer capped** at August 2016



## At a glance

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Comments? Feedback is welcome

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## What you need to know

### What is the benefit cap?

This report contains official statistics on households that had their benefits capped to August 2016 and reflects the cap limits and benefits included in the cap from when the cap was introduced in April 2013:

- The benefit cap limits a household's benefit income to:
  - £500 a week for couples (with or without children living with them) and single parents whose children live with them.
  - £350 a week for single adults without children, or whose children do not live with them.
- The cap applies to the combined income from benefits including:
  - the main out-of-work benefits (Jobseeker's Allowance, Income Support, and Employment and Support Allowance except when the Support Component is in payment);
  - Housing Benefit;
  - Child Benefit and Child Tax Credit;
  - other benefits such as Carer's Allowance, Incapacity Benefit and Bereavement Allowance.

The cap amounts and the benefits that are affected by the cap will be changing on 7 November 2016. More information about these changes can be found [here](#).

For most capped households the benefit cap is applied by reducing the amount of Housing Benefit they receive, so their total benefits no longer add up to more than the cap level. This report contains official statistics on these households.

The benefit cap can also be applied through Universal Credit (UC). UC is still being rolled out across the country and for different household groups, meaning that the number of households who may have had their UC capped is estimated to be small. These households are not included in this report.

### How is it measured?

The main source of benefit cap data is the Single Housing Benefit Extract (SHBE). This is a monthly electronic scan of claimant level data from Local Authority computer systems. SHBE includes the weekly amount that the HB of a household has been capped by, which is used to produce this analysis.

Data on households who have (previously) been capped that are no longer capped is linked to Her Majesty's Revenue and Customs (HMRC) and DWP benefits data to determine why households are no longer capped.

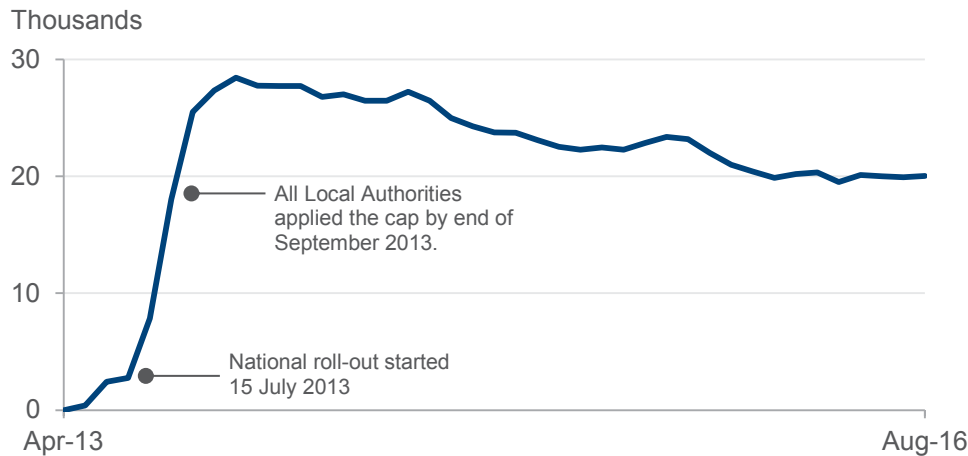
This report contains 3 measures:

- **Point-in-time caseload** counts the number of capped households each month.
- **Cumulative caseload** counts the overall number of households that have been capped from the introduction of the benefit cap to the latest month available.
- **Off-flows** are the difference between the two caseload figures, and show the number of previously capped households no longer capped at the latest month available.

# Number of capped households

## The number of capped households at each month is falling slowly

Capped households at each month, 15 April 2013 to August 2016



20,000 households had their Housing Benefit capped at August 2016. This is a small decrease of less than 1%, or 80 households, on the previous quarter (May 2016).

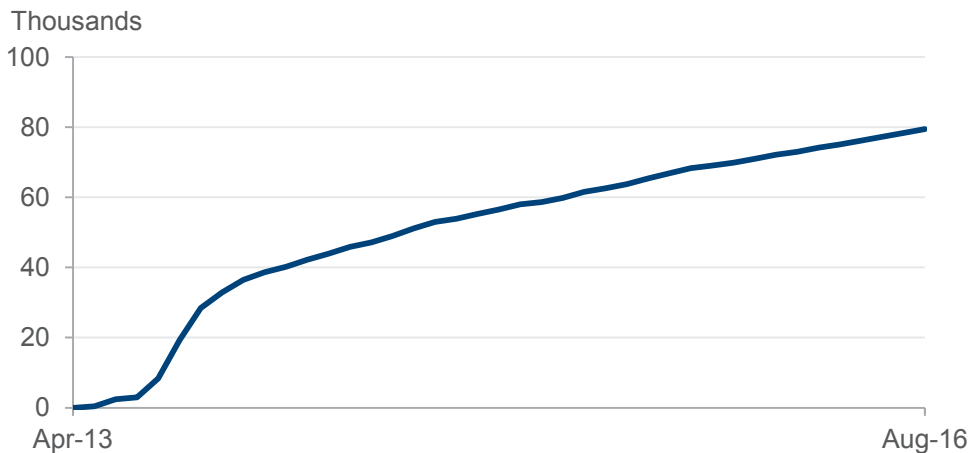
Over the last quarter slightly more households have moved off the benefit cap (3,400) than have been capped (3,300). This has led to the small decrease in the point-in-time caseload from May 2016 to August 2016.

The benefit cap was introduced from 15 April 2013 in Bromley, Croydon, Enfield and Haringey Local Authorities. All other Local Authorities applied the cap from 15 July 2013 to the end of September 2013.

See Excel [Data table 3](#) or [Stat-Xplore](#) for full data.

## New households are still being capped

Cumulative capped households, 15 April 2013 to August 2016



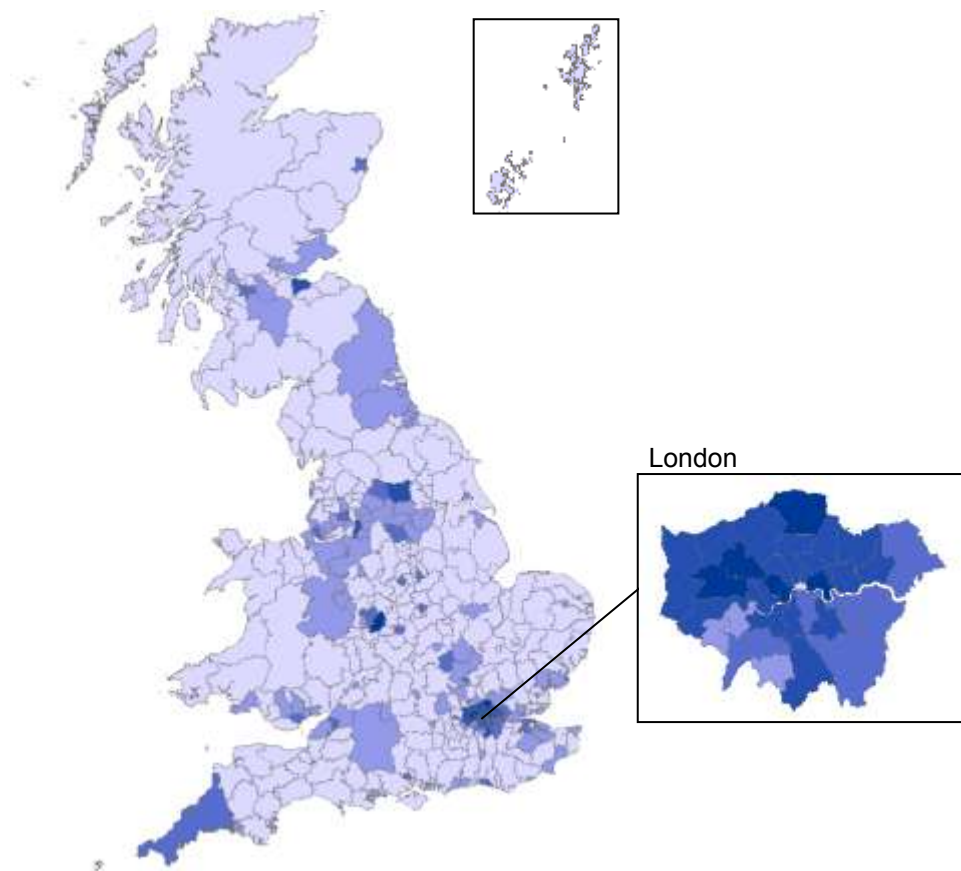
The cumulative caseload of households that have had their Housing Benefit capped since the introduction of the benefit cap continued to rise over the last quarter, to 79,000. This shows that new households continued to be capped.

See [Stat-Xplore](#) for full data.

# Where capped households are

## London has the most capped households

Cumulative capped households by Local Authority, 15 April 2013 to August 2016



Since the introduction of the benefit cap to August 2016, 44% of capped households have been in London. Only 2 of the top 20 Local Authorities with the highest cumulative number of capped households are outside London – Birmingham and Edinburgh. This is likely to be a reflection of higher housing costs in London.

This map shows the cumulative number of capped households by Local Authority from 15 April 2013 to August 2016.

The darker areas of the map are Local Authorities with higher numbers of capped households, while the lighter areas are Local Authorities with fewer capped households.

See Excel [Data table 1](#) or [Stat-Xplore](#) for full data.

## Where you live

Find more statistics about capped households in your Local Authority on our [interactive map](#), which is updated on a yearly basis and includes data up to May 2016. Key statistics for a Local Authority can be viewed by clicking on the relevant area of the map.

For further information on supported browsers, please visit the following website: <http://doc.arcgis.com/en/arcgis-online/reference/browsers.htm>

## More information

The cumulative caseload is based on the lead claimant. The addition or loss of a partner within a household (or a household moving to a different Local Authority and still subject to the cap) would not be counted as an additional benefit cap case where the lead claimant remains the same and there is no break in claim.

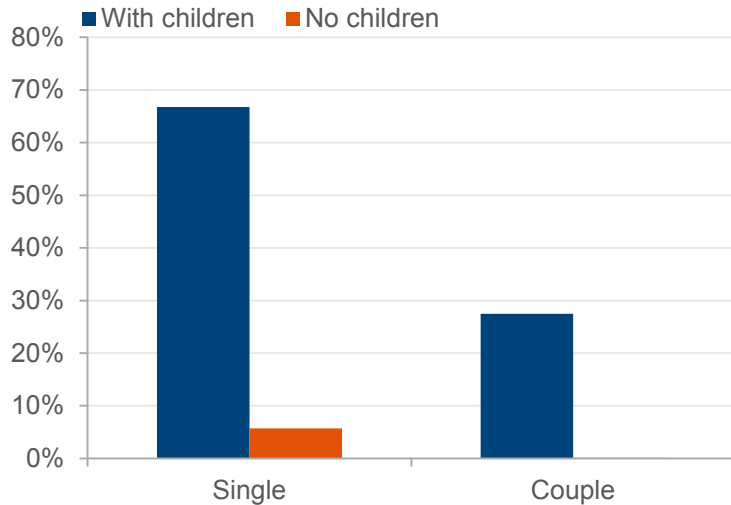
The geographical region or Local Authority reflects the initial Local Authority in which the cap was applied to that household.

From 7 November 2016 the cap amount will depend on where a household is, with different levels for households inside and outside Greater London. More information about these changes can be found [here](#).

# The family make-up of capped households

## Two-thirds of capped households are single-parent families

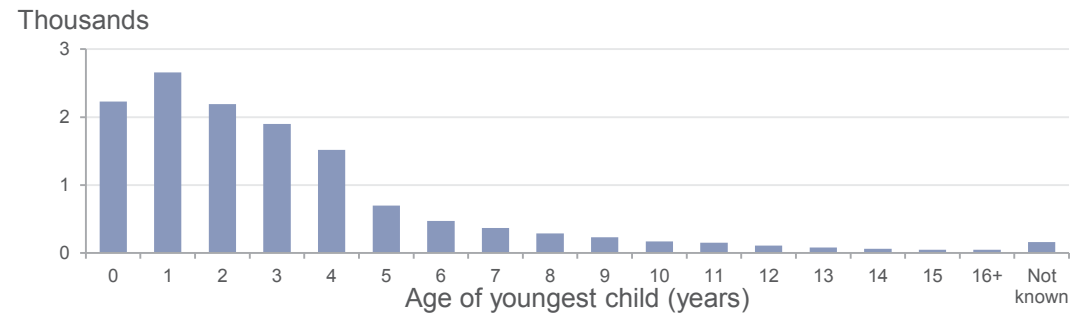
Percentage of capped households by family type, at August 2016



67% (13,000) of capped households are single-parent families.

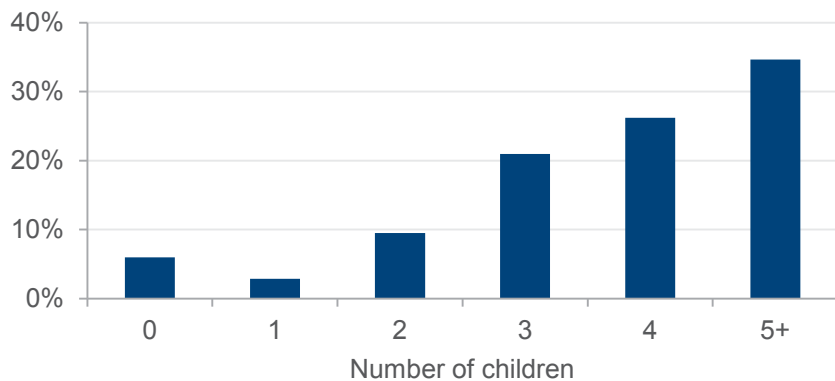
78% (10,000) of single-parent capped households have at least one child aged under 5 years, including 17% (2,200) with a child aged under 1 year at August 2016.

Single-parent capped households by age of youngest child, at August 2016



## 94% of capped households include children

Percentage of capped households by number of children, at August 2016



60% (12,000) of capped households had between 1 and 4 children and 35% (6,900) had 5 or more children.

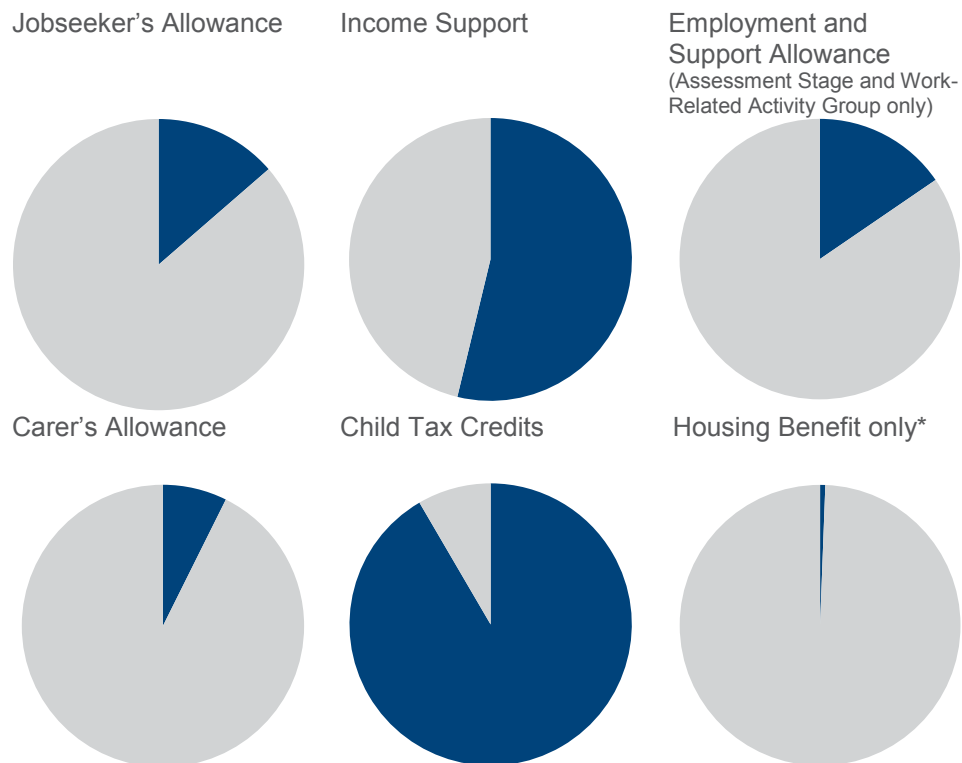
Child Benefit and Child Tax Credits are both in-scope for the benefit cap, so families with more children, in receipt of higher amounts of these benefits are more likely to exceed the cap limit and be capped.

See Excel [Data table 2](#) or [Stat-Xplore](#) for full data on the family make-up of capped households. See Excel [Data table 5](#) for full data on the age of youngest child, with data on the cumulative caseload by family type and age of youngest child too.

# Benefits claimed by capped households

## Capped households claim a range of benefits

### Capped households by benefit take-up, at August 2016



At August 2016:

- 14% of capped households were claiming Jobseeker's Allowance.
- 54% were claiming Income Support.
- 14% were claiming Employment and Support Allowance (Assessment Stage and Work-Related Activity Group only).
- 8% were claiming Carer's Allowance.
- 89% were claiming Child Tax Credits.
- 1% were claiming Housing Benefit only.\*

\* These capped households were claiming Housing Benefit only from the following benefits in-scope for the cap: Housing Benefit, Jobseeker's Allowance, Income Support, Incapacity Benefit, Employment and Support Allowance, Carer's Allowance, Bereavement Allowance, Child Benefit and Child Tax Credit.

See Excel [Data table 6](#) for full data.

Dark blue sections represent the proportion of capped households in receipt of each benefit.

## More information

Capped households can be in receipt of multiple benefits. The benefit cap applies to a household's combined income from a range of working age benefits. This means that a household can be included in multiple categories shown here and therefore percentages do not sum to 100%. More information on benefits that are in-scope for the benefit cap and those that are exempt can be found in the [Background Information and Methodology](#) document.

Households in receipt of Carer's Allowance or Guardian's Allowance will become exempt from the cap on 7 November 2016. More information about these changes can be found [here](#).

Analysis is based on benefit claims by the lead claimant in a household, and where applicable, their partner.

# The financial impact of being capped

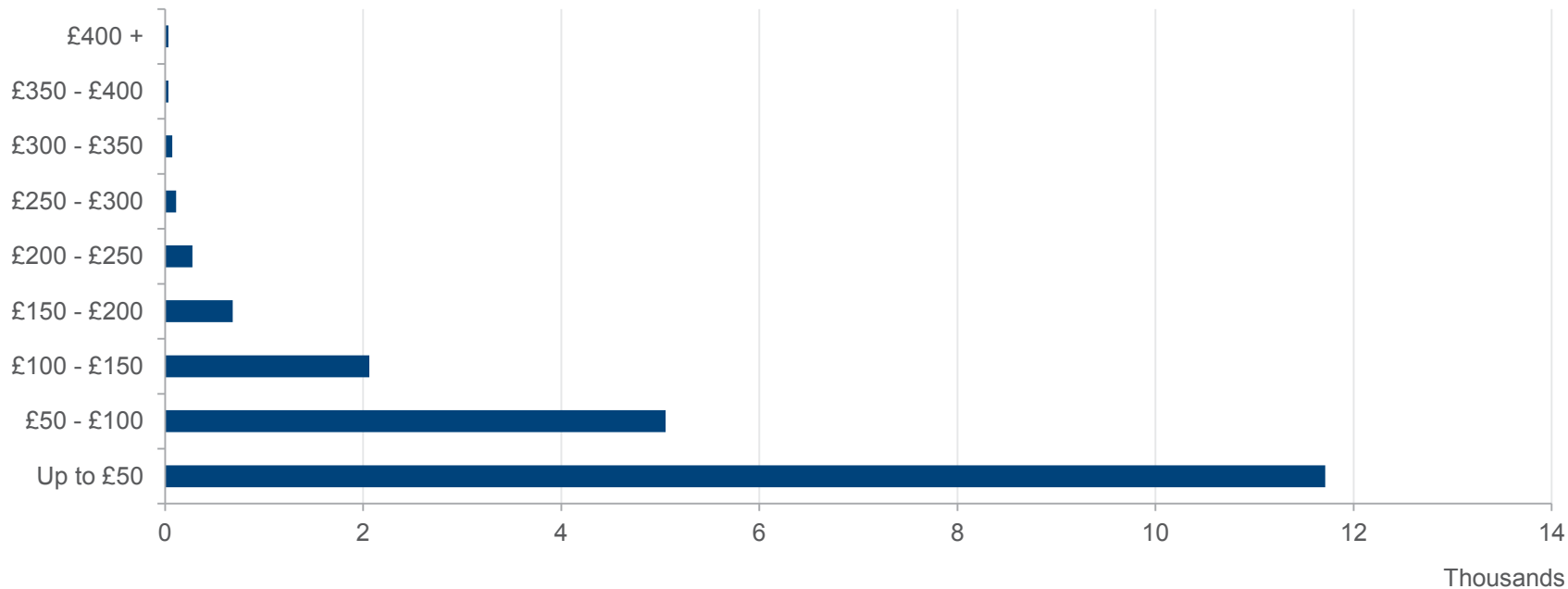
84% (17,000) of capped households were capped by £100 or less a week, including 58% (12,000) capped by £50 or less a week at August 2016.

Less than 1% (140) of capped households were capped by more than £300 a week.

See Excel [Data table 2](#) or [Stat-Xplore](#) for full data.

## Most households are capped by £100 or less a week

Capped households by weekly amount capped, at August 2016



## More information

The amount that households are capped by will be changing on 7 November 2016. New cap limits will be introduced and the cap amount will depend on where a household is, with different levels for households inside and outside Greater London. More information about these changes can be found [here](#).

## Moving off the cap

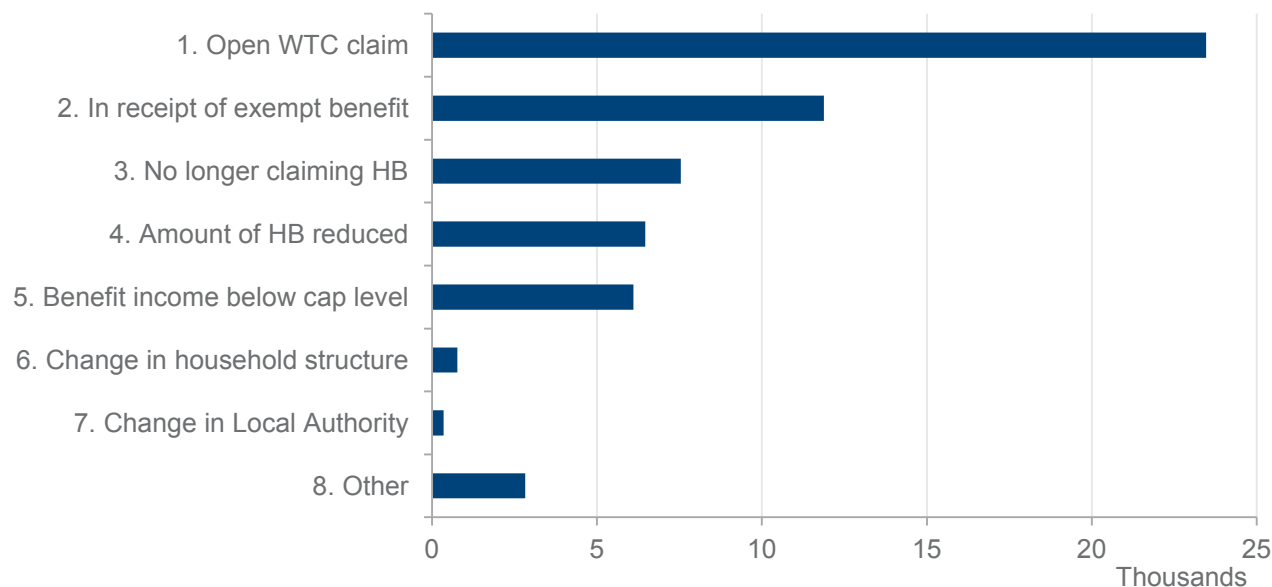
75% (59,000) of households that have (previously) been capped are no longer capped at August 2016. Of these, 23,000 are exempt with an open Working Tax Credit (WTC) claim, indicating that they have moved into work. This is 40% of those no longer capped.

For single parent households with a child aged under 5 years, 65% who have (previously) been capped are no longer capped at August 2016. Of these, 41% are exempt with an open WTC claim.

See Excel [Data table 4](#) or [Stat-Xplore](#) for full data.

## 40% of households that were capped are in work

### Off-flows from the cap by household outcome, at August 2016



## More Information

The reason a household is no longer capped may change after a household has moved off the cap. The outcome shows this reason as at August 2016.

There may be a number of reasons why a household is no longer capped. These reasons are ranked (from 1 to 8, as in the chart above) and only the top-most reason that is applicable to each household is counted. More information on how this ranking was developed and is applied can be found in the [Background Information and Methodology](#) document.

The cap amount and the benefits that are affected by the cap will be changing on 7 November 2016. More information about these changes can be found [here](#).



# About these statistics

## Data sources

The main source of benefit cap data is the Single Housing Benefit Extract (SHBE). SHBE is a monthly electronic scan of claimant level data direct from Local Authority computer systems. SHBE includes a field that contains the weekly amount that the Housing Benefit of a household has been capped by. This marker is central to the production of this analysis.

Data on those households who have (previously) been capped that are no longer capped is linked to Her Majesty's Revenue and Customs (HMRC) and DWP benefits data to determine why households are no longer capped.

The age of the youngest child dependant in a household is calculated by merging data held on HMRC child benefit systems to housing benefit data on capped households.

## Data coverage and reporting month

Local Authorities extract and return their data to DWP over a four week rolling period based on an extraction schedule for each Local Authority. For example, the latest "August 2016" data shown here has typically been extracted between 18 July and 11 August 2016. Each Local Authority may extract their data up to a week before the date it is scheduled to be returned to DWP. Consequently, the statistics do not directly relate to a particular date but rather show the position of capped cases over a monthly cycle.

## Definition of a household

For the purposes of the benefit cap policy and hence this analysis, a household is defined as "one or two adults (living together as a couple) plus any dependant children they are living with." This may also be termed a 'benefit unit'. This differs from the Office for National Statistics (ONS) who define a household as one person alone; or a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room or dining area. A household by the ONS definition may contain multiple benefit units.

There are a small number of cases where an individual / household has more than one Housing Benefit claim, for these cases, only the most recent claim is reported on.

## Changes to the benefit cap

The cap amounts and the benefits that are affected by the cap will change on 7 November 2016.

The Summer Budget 2015 announced changes to the level of the benefit cap to £20,000 (£13,400 for single adults with no children) nationally or £23,000 (£15,410 for single adults with no children) in Greater London (the 32 London boroughs and the City of London).

Claimants entitled to Carer's Allowance or Guardian's Allowance will also become exempt from the benefit cap when these wider changes are introduced. This was announced in Parliament during the passage of the Welfare Reform and Work Act 2016.

The changes in cap levels will be rolled-out across Local Authorities from 7 November 2016 to the end of January 2017. Due to this phased implementation of the new levels, and the way in which monthly data on capped households is returned to DWP over a four week rolling period, the major impact of these changes will not be seen in the Benefit Cap Official Statistics until May 2017, when data to February 2017 will be published.

More information on the changes can be found here: <https://www.gov.uk/benefit-cap/overview>

## Where to find out more

This document and Excel summary tables can be found here: <https://www.gov.uk/government/statistics/benefit-cap-number-of-households-capped-to-august-2016>

Use Stat-Xplore to create your own tables and further breakdowns of these statistics: <https://stat-xplore.dwp.gov.uk/>

View our interactive map: <http://dwp-stats.maps.arcgis.com/apps/Viewer/index.html?appid=9cfbe6a929db475587f8829cbc4bf1e5>

Older releases can be found here: <https://www.gov.uk/government/collections/benefit-cap-statistics>

Background Information for the statistics can be found here:

<https://www.gov.uk/government/publications/benefit-cap-statistics-background-information-and-methodology>

Statistics on Housing Benefit caseload can be found here: <https://www.gov.uk/government/statistics/housing-benefit-caseload-statistics>