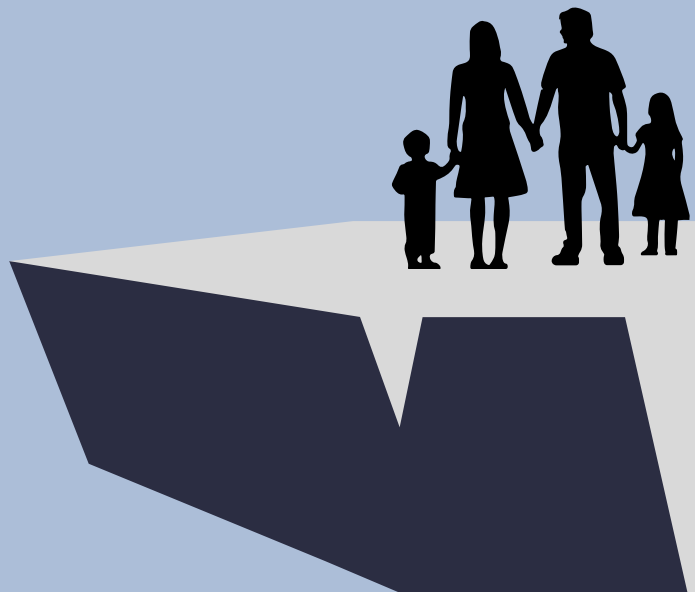




# SCRAP THE CAP

# CAMPAIGN PACK



# WHAT IS THE BENEFIT CAP?

The benefit cap, which came into effect in April 2013, is a limit on the total amount of means-tested benefit payments an individual or family can receive. As of May 2021, 190,000 households are affected by the cap, receiving on average £55 per week less in support than they would if the cap was not in place.

With some exceptions, the cap affects households claiming benefits where no one works more than 15 hours per week. In practice, the policy affects mostly families with children, the majority of whom are women and those with high housing costs.

Originally, the capped amount reflected the average earned income of a working household's take-home pay, but by 2017 all new and existing claimants affected by the cap received a new lower amount.

For those affected, social security payments are capped at £20,000 per year for families (outside London), equivalent to £1,666.67 per month.

The cap is implemented through a reduction in either Housing Benefit or Universal Credit, depending on whether the household remain on legacy benefits or have already moved onto Universal Credit.

**Families have**

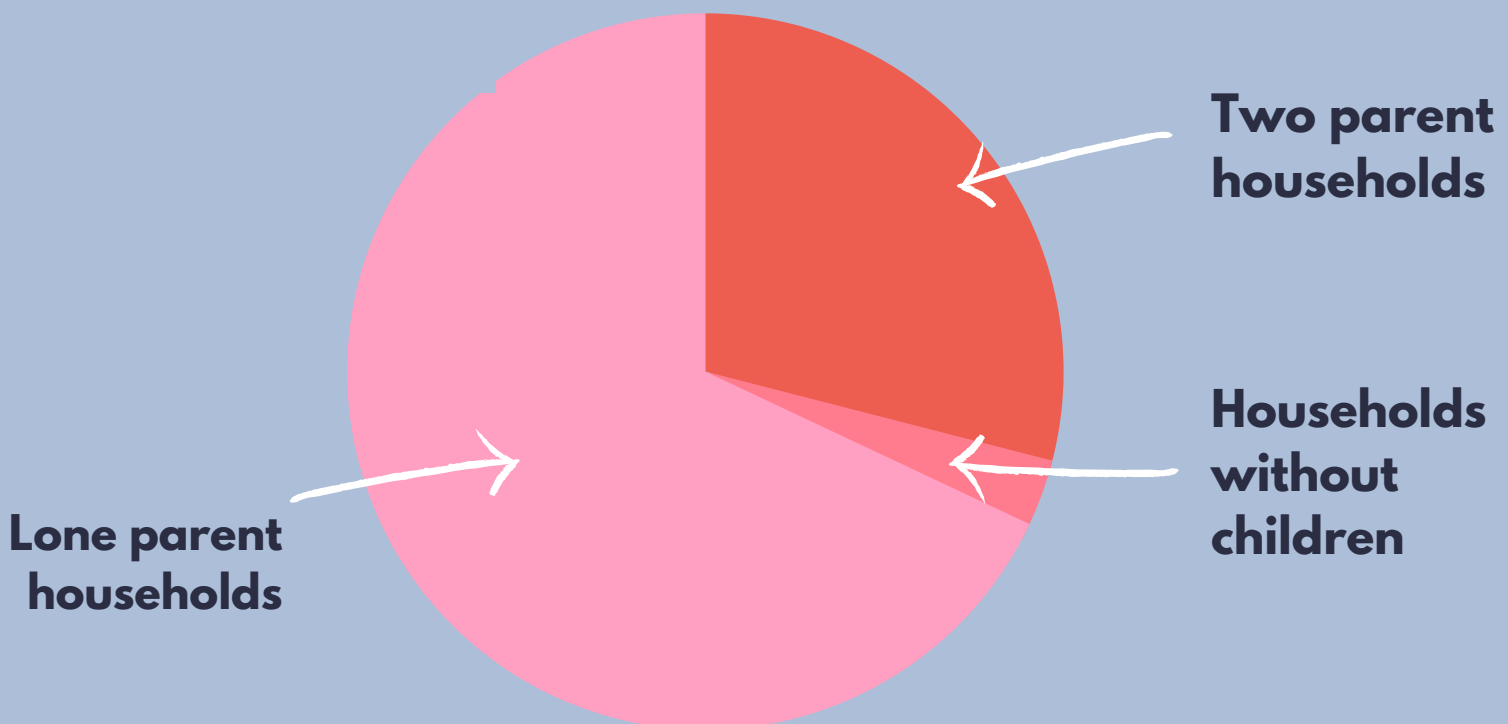
**↓ £55**

**less per week  
on average**

# THE BENEFIT CAP IN SCOTLAND

There are a total of 6437 households currently capped in Scotland. Single parents with children (9/10 of whom are women) are disproportionately affected by the cap: 67.8% of capped households in Scotland are single parent households.

## SCOTTISH HOUSEHOLDS IMPACTED BY THE BENEFIT CAP



# ABOUT THE CAMPAIGN

The Scrap the Cap campaign is calling on the UK Government to remove the benefit cap, which places a limit on the total amount of benefit payments a person or family can receive. We believe that it is wrong, in principle, to sever the link between the support a person needs and the level of support they receive.

This is because any level of support which is below what a person has been assessed to need will, necessarily, be insufficient to lead a healthy, happy, and dignified life. Further, the way the benefit cap is designed means that those who require the highest level of support from the benefit system are the most likely to be affected. This is simply unjust.

If the campaign is successful and the cap was lifted, it would mean the British social security system would no longer arbitrarily cut the amount of benefit payments that households - which are among the most disadvantaged in the country - are entitled to in order to fulfil policy goals that are divorced from the needs and welfare of those directly impacted by the policy.

**“ We believe that it is wrong, in principle, to sever the link between the support a person needs and the level of support they receive. ”**

# WHY SHOULD WE SCRAP

## THE CAP?

The vast majority of households affected by the cap are exempt from working to increase their income, either because they have a disability or have childcare responsibilities. This means they are trapped in poverty's grip, without access to the vital lifelines they need to get by, unable to increase their income through employment.

The benefit cap profoundly impacts those affected. For many families it means insecurity and anxiety, poor mental health, an inability to afford essentials like food and heating, reliance on foodbanks, and has forced many into problem debt.

For some, it even means having to uproot their family from their home to find cheaper accommodation elsewhere, cutting them off from their support networks and communities, and forcing children to move away from their school and friends.

Lifting the cap would mean restoring a core principle our society has been built on, and flourished under, for generations: that everyone deserves a helping hand, whether they use social security system temporarily while a lone parent raises her children through their formative years, because of a disability, or while they look for work or re-skill.

Scrapping the cap would be a significant step towards a more just Scotland, where no one is forced into hardship. Let's give families what they need. Let's scrap the cap.



**NINE**  
**REASONS**  
**TO**  
**SCRAP**  
**THE**  
**CAP**



## 1. THE CAP REMOVES THE LINK BETWEEN NEED AND ENTITLEMENT AND PUSHES FAMILIES INTO POVERTY AND HARDSHIP

The way the benefit cap is designed means that those who need the most money to get by – such as lone parents with young children, larger families, and people who are not fit to work – are the most likely to have their support capped.

The shortfall in income between what a household needs to get by and what they receive means that many families in our society cannot afford basic necessities like food, clothes, and energy; often being forced to use foodbanks or rely on pay-day loans. For many it also means falling into rent arrears and facing homelessness.

The benefit cap not only affects families' financial situations, but it also affects their mental health. Research from the London School of Economics from 2020 shows that it has negatively impacted the mental health of families, including children, who were found to experience anxiety and depression due to the instability caused by insufficient income and mounting debt.

## 2. DISPROPORTIONATELY AFFECTS LONE PARENTS WHO ARE WOMEN

The benefit cap discriminates against lone parents who are women because the majority of households affected by the cap fit into this category, including women who have left relationships due to domestic abuse. Across the UK, sixty-two percent of people affected by the benefit cap are single parents, or six in ten, and most single parents are women.

In Scotland, 67.8% of capped households are single parents.

While this discrimination is wrong in itself, a 2018 report by One Parent Families Scotland and Child Poverty Action Group in Scotland showed that almost four in five lone parent households affected by the cap were claiming income support because they had young children and were not expected to seek work, and one in six were claiming employment and support allowance suggesting that they had been assessed as not being fit for work.

It cannot be right that families are being pushed into poverty by the benefit cap when they are unable to find work to boost their incomes.

**4 in 5** lone parent households

affected by the cap were not expected to seek work due to caring for young children



### 3. THE CAP DISPROPORTIONATELY AFFECTS LARGER FAMILIES

The benefit cap also discriminates against larger families. In Scotland, 96% of capped households have children. Of that number, 75% have 3+ children.

A Child Poverty Action Group report in 2021 highlights that families with children have experienced greater hardship during the pandemic. This is especially true of families affected by the benefit cap, who were already experiencing income-related difficulties. It is time to scrap the cap so that larger families are given enough financial breathing room to recover from the stress and hardship of the pandemic and to move out of poverty.

### 4. THE CAP DISPROPORTIONATELY AFFECTS BLACK, ASIAN AND MINORITY ETHNIC FAMILIES

Families from Black, Asian and minority ethnic backgrounds are more likely to be affected by the Benefit Cap because they are more likely to have larger families. In England, 4 in 10 households affected by the benefit cap are BAME, although they only make up 20% of the population.

Racial inequalities in the UK, such as income or health inequality, are caused and exacerbated in part due to social and economic policy, including

the adequacy of social security payments as a result of the benefit cap. Lifting the cap is an essential part of tackling inequalities in health, income, and education.

### 5. THE LOWERED CAP AMOUNT BREAKS THE LINK WITH AVERAGE TAKE-HOME PAY FROM WORK

The cap was introduced with the rationale that creating greater parity between the incomes of those paying taxes and those in out-of-work benefits would be fairer. But this rhetoric does not match the reality.

When the capped amount was lowered in 2015, the link between average income from employment was severed. The capped amount, £20k for families with children, is lower than the average take-home income from employment.

**4 in 10 households affected by the benefit cap are from BAME backgrounds**



**SCRAP  
THE  
CAP**



## 6. CHILDREN'S LIFE CHANCES ARE BEING IMPACTED

UK Government figures show that, as of May 2021, eighty-three percent of capped households contain at least one child. According to The Supreme Court the benefit cap breaches the UN Convention on the Rights of the Child.

Depriving families with children from the income they need to stay afloat, at a time when they need it most, is morally outrageous. According to UK Government figures, just over half of single-parents support at least one child under the age of five, of which twenty percent are supporting a child under two. For these families, the benefit cap pulls them into poverty at a crucial, formative stage of a child's life, and deprives them of the additional support they need.

A study of more than 10,000 benefit-capped households by the Policy in Practice consultancy found that for every child whose parents moved back into work as a result of the cap, eight more would grow up in families whose financial circumstances worsened following the introduction of the policy. This means that, overall, the benefit cap has had an overwhelmingly negative impact of those it affects.

## 7. MOST PEOPLE AFFECTED BY THE CAP ARE EXEMPT FROM FINDING EMPLOYMENT

The majority of households whose benefit payments are capped via Housing Benefit receive benefits which do not require them to look for work for reasons of ill-health or childcare responsibilities. UK Government figures show that only 16% are on job-seekers allowance and are actively looking for work.

This means that subjecting these families to the benefit cap knowingly and purposefully forces families into poverty who cannot turn to employment as a route out of poverty. It is morally outrageous that the poorest and most vulnerable in our society are being trapped into a life of hardship and suffering in a bid to balance the books.

“

**It cannot possibly be in the best interests of the children affected by the cap to deprive them of the means to provide them with adequate food, clothing, warmth and housing, the basic necessities of life.**

**- The UK Supreme Court**

”

## 8. THE BENEFIT CAP FAILS TO MEET ITS OWN AIMS

The cap was introduced, in part, with the goal of incentivising work. Yet, Policy in Practice estimated that for every 100 households affected by the cap, only around four will move into work because of it.

Further, there is evidence that the policy actually makes it harder for some families to find employment. Thousands of capped families, who want to work, find themselves constrained by their inadequate income, restricted from making the choice to take up employment. This is because of the unaffordability of childcare and other expenses such as transport. A 2020 study by the London School of Economics also concluded that the benefit cap could have the unintended consequence of pushing out-of-work people even further away from the labour market, due in part to the impact the policy has on mental health.

It is only right that parents who want to work or learn new skills have the financial support they need to seize these opportunities. By lifting the cap we can give families the financial breathing room they need to make positive choices about their family's' futures.

The cap was also introduced, in part, to encourage those on benefits to find cheaper accommodation. However, the majority of households (65%), whose Housing Benefit is capped, are already living in the cheapest available housing, such as council or housing association accommodation. For these households, the benefit cap has no function other than to pull them into poverty.

## 9. THE BENEFIT CAP IS A BREACH OF HUMAN RIGHTS

As well as breaching the UN Convention on the Rights of the Child, the benefit cap also flouts the right to an adequate level of social security. The UK Government have a duty to provide a level of benefits which promotes the rights to family life and allows for a reasonable standard of living.

By pushing families into poverty and hardship, where they are often unable to meet even their most basic needs like food and shelter, the benefit cap is in direct contravention of these rights, stripping families of their dignity, health, and happiness.



**SCRAP  
THE  
CAP**

# CAMPAIGN TIMELINE



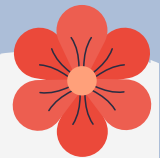
The campaign launched on Tuesday 18th January 2022.

## Phase 1: Winter



The initial phase of the campaign will focus on building support for the campaign. This includes support from third-sector organisations, including organisations in Scotland and across the rest of the UK, as well as MPs. We will also focus on securing media coverage to build campaign recognition.

## Phase 2: Spring/Summer



With a focus on the Spring Statement, we will work to increase parliamentary support for the campaign and raise the issue with relevant UK Government Ministers. Throughout the campaign we will continually seek opportunities to build support among key organisations and individuals, secure media coverage, and highlight the campaign's message.

## Phase 3: Autumn



We will work to make the campaign a topical issue in the press and on social media in the run up to the Autumn budget and will build support in the UK Parliament to ensure the issue of scrapping the benefit cap is raised.



# YOUR ROLE

We are seeking organisations, whose work relates to any overlapping issue relevant to the campaign, to become official supporters of the campaign to help the Poverty Alliance advocate for the benefit cap to be scrapped.

Being a supporter means helping advance the campaign, but it is up to individual organisations to decide in what way and to what extent they would like to be involved.

## WAYS WE MIGHT ASK YOU TO GET INVOLVED INCLUDE:



- Adding a supporting quote and logo to our campaign resources (e.g., webpage, briefings).
- Posting in support of the campaign on social media, newsletters, etc.
- Adding your support/signature/quote to letters, articles, etc.
- Highlighting and advocating for the campaign, where appropriate, with policy makers.
- Taking part in media interviews, where appropriate.
- Contributing to campaign actions, such as signing joint letters to political parties.
- Aiding the campaign through contributing relevant research and resources.

For more information about the campaign, or to get involved, please email [suzi.murning@povertyalliance.org](mailto:suzi.murning@povertyalliance.org)

Suzi Murning  
Campaigns Officer  
[Povertyalliance.org](http://Povertyalliance.org)



# REFERENCES

As of May 2021, 190,000 households are affected by the cap, receiving on average £55 per week less in support than they would have if the cap was not in place. (Source: UK Government, May 2021)

In 2019, of the 91% of households which contain children, 87% are large families which care for three or more children. (Source: Scottish Government, 2019)

The Benefit Cap has negatively impacted the mental health of families, including children, who were found to experience anxiety and depression due to the instability caused by insufficient income and mounting debt. (Source: London School of Economic, 2020)

62% of capped households are single-parent families. (Source: UK Government, May 2021)

4 out of 5 lone parent households affected by the cap have young children and are not expected to work, and one in six were claiming employment and support allowance suggesting that they had been assessed as not being fit for work. (Source: Sheffield Hallam University, 2016)

Families with children have experienced greater hardship during the pandemic. (Source: Child Poverty Action Group, 2021)

83% of capped households contain at least one child. (Source: UK Government, May 2021)

# REFERENCES CONTINUED

According to The Supreme Court the BC breaches the UN Convention on the Rights of the Child. (Source: Monkton Chambers, 2015)

Just over half of single-parents (52%) support at least one child under the age of five, of which 20% are supporting a child under two. (Source: UK Government, May 2021)

Just over half of single-parents (52%) support at least one child under the age of five, of which 20% are supporting a child under two. (Source: UK Government, May 2021)

For every child whose parents moved back into work as a result of the cap, eight more would grow up in families whose financial circumstances worsened following the introduction of the policy. (Source: Policy in Practice, 2019)

For every 100 households affected by the cap, only around four will move into work because of it. (Source: Policy in Practice, 2019)

Benefit Cap could have the unintended consequence of pushing out-of-work people even further away from the labour market. (Source: London School of Economic, 2020)

65% of households affected by the cap are already living in the cheapest available housing. (Source: CPAG & OPFS, 2018)

The majority of households whose benefit payments are capped via Housing Benefit receive benefits which do not require them to look for work for reasons of ill-health or childcare responsibilities. (Source: UK Government, May 2021)

16% are on job-seekers allowance and are actively looking for work. (Source: UK Government, May 2021)

