

Press release: 39,000 households move into work and off the benefit cap

The number of households moving off the cap and into work is continuing to rise since the cap's introduction in 2013.

The benefit cap incentivises work, including part-time work, as anyone eligible for Working Tax Credit (or the equivalent under Universal Credit) is exempt.

Work and Pensions Secretary, David Gauke said:

It is fair that people out of work face the same choices as those in work, and putting a cap on how much someone can receive in benefits restores that balance.

Behind today's figures are thousands of success stories as people start new jobs, and benefit from a regular wage for their families.

They are part of the 3 million people who have moved into work since 2010 and show our commitment to supporting even more people across the country into employment and on the right path to improving their lives.

The benefit cap limits the amount that most people aged 16 to 64 can receive in benefits to £20,000 a year outside London, and £23,000 in Greater London.

Since the introduction of the cap in April 2013, 160,000 households have had their benefits capped. Around 94,000 of these are no longer capped, with 39,000 households having moved into work.

The benefit cap is set at £20,000 a year outside London and £23,000 in Greater London to reflect higher rent costs. This is the equivalent salary of £25,000, or £29,000 in London.

Anyone working and receiving Working Tax Credit is exempt from the cap, as are households where someone receives Disability Living Allowance (DLA), Personal Independence Payment (PIP), or the support component of Employment and Support Allowance (ESA). Those claiming Carer's Allowance or Guardian's Allowance are exempt from the cap.

Follow DWP on: