

What does the benefit cap mean for you?

01 What is the benefit cap?

- The benefit cap is an upper limit on the amount of money you can get from benefits.
- The cap is linked to Universal Credit (UC) and Child Benefit, as well as some other rarer benefits. It does not include Personal Independence Payment.
- Even if your circumstances make you entitled to a higher amount (eg. because of high rent or having children), you can't get more than the benefit cap amount.
- If you're in this situation, you might notice that there is a 'deduction' for the benefit cap on your Universal Credit statement.

02 How much is the benefit cap in greater London?

- For a **single person**, the cap is currently £1,413.92 per month.
- For a **couple, or a single parent** with children in the household, it is £2,110.25 per month. So if the total combined amount of UC and Child Benefit you're entitled to is higher than this amount, you'll see a deduction.

03 Who is exempt from the benefit cap?

- **Many people are not affected by the benefit cap.** If you are currently affected by the benefit cap, you may later become exempt if your circumstances change.
- **People on Universal Credit who are working and earning £881** or more per month after tax are exempt from the cap. If you and your partner are both working, you'll be exempt if your combined earnings add up to £881 or more. If you've recently stopped working, the benefit cap will not be applied straight away as there is a 'grace period'.
- **People receiving benefits for a health condition or disability** are also exempt. For example, if you or your partner receives Personal Independence Payment (PIP) or the 'Limited Capability for Work and Work-Related Activity' (LCWRA) element of UC, you are not affected by the cap. If you have a child living with you who receives Disability Living Allowance (DLA) this also makes you exempt.
- **Carers are exempt if they receive Carer's Allowance** and/or the carer element of UC.
- **Pensioners are not affected** - the benefit cap is only for working age people:

04 What is the two-child limit to benefits?

- From 6 April 2026, the UK government removed the 'two-child limit' on Universal Credit, meaning families with more than two children will see their UC entitlement increase.
- This will be a huge help for many people. But families affected by the benefit cap may not see the full advantage of this if their entitlement is already near or at the cap amount.

05 What can I do if I'm benefit-capped?

- If you're in financial hardship because of a benefit cap, there may be things you can do.
- **If you're looking for work**, you can aim to find a job that will earn you at least £881 per month. Once you're earning this amount, you will become exempt from the benefit cap (as well as having the advantage of the extra income from work). If you're struggling to find work, ask our Foodbank volunteers about local employment support organisations that can help.
- **If you're not well enough to work**, you should hand in a 'fit note' from your GP to Universal Credit, and this should trigger UC to go through a work capability assessment with you. If the result is that they decide you have 'Limited Capability for Work and Work-Related Activity' (LCWRA), then you will become exempt from the benefit cap.
- **If you have high rent costs** which mean your benefit entitlement is pushed up over the cap, you could look for accommodation that is more affordable. Remember that the amount UC can cover for housing costs is different for every borough, so make sure to check this before you move.
- **If you have a long-term health condition or disability** that significantly affects your daily life and/or mobility, you could consider applying for Personal Independence Payment.
- **If you have a disabled child in your household**, you could consider applying for Disability Living Allowance for them.
- **If you spend at least 35 hours a week caring for someone who receives a disability benefit** (even if they don't live with you), you can discuss with that person if it would be a good idea for you to apply for Carer's Allowance. If you start receiving this, you'll be exempt from the benefit cap.

06 A Discretionary Housing Payment could help you now

- In the short-term, people who are receiving UC for their housing costs and are affected by the benefit cap can apply to their Council for a 'Discretionary Housing Payment' (DHP). This is not guaranteed to be awarded, as it is at the Council's discretion.
- If it's awarded, it will be in the form of short-term payments to help support you while you look for a longer-term solution. Wandsworth residents can read more and apply for a DHP online here: www.wandsworth.gov.uk/discretionary-housing-payments



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