

The impact of benefit sanctions on people in Coventry

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Warwick.**

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About the report

This is the report of a research project into the impact of welfare benefit sanctions on people in Coventry carried out by Coventry Law Centre, Coventry Citizen's Advice Bureau, Coventry Women's Voices and the Centre for Human Rights in Practice at the University of Warwick.

The research project consisted of a short survey of people who had experienced sanctions and in depth interviews of people who had been sanctioned. The survey was circulated via agencies providing advice and other services to people who may have been sanctioned. This included welfare advice organisations as well as organisations providing other advice but whose clients may have experienced sanction (for example Coventry Rape and Sexual Abuse Centre). In addition a number of people were interviewed for the survey outside the Job Centre in Coventry City centre. A total of 104 people filled in the survey and nine people took part in in-depth interviews.

This report also draws on information collected by both Coventry Law Centre and Coventry CAB about their clients' experience of sanctions. Coventry Law Centre runs a sanctions hotline for three hours a day, five days a week and has taken on 40 sanction appeal cases and 52 Mandatory Reconsiderations for people who have sanctions. Of the 52 Mandatory reconsiderations that have been sent in 22 have had the decision changed and the sanction removed, 9 have had the DWP decision upheld and 21 are outstanding. Of the 31 cases where the outcome is known 29% have been refused and 71% have been successful. The 40 appeals mentioned above are recent cases which have yet to be heard and of these 6 have been settled before the hearing and the rest are ongoing. In addition we have had 10 sanctions appeals heard of which 7 were won, 2 lost and one settled in the client's favour just before the hearing. The success rate at appeals has therefore been 80%. It should be noted that none of the cases which has been heard at appeal to date has also been through the mandatory reconsideration process.

Although the sample size for both the survey and the in depth interviews is relatively small the findings are in line with other national research in this area. We have summarized this research where relevant to show how the experience of people in Coventry is in line with wider national evidence.

This report was written by Mary-Ann Stephenson and edited by Sue Bent.

We would like to thank the Insight Team at Coventry City Council for their help and advice in compiling this report.

Coventry Citizen's Advice Bureau Coventry Citizen's Advice Bureau is part of a national network that provides free, independent, confidential and impartial advice. Coventry Citizens Advice Bureau helps around 14,000 people deal with more than 24,000 issues a year. Primarily, the role of the bureau is to advise people on their rights – this can include employment, consumer, housing or relationship, but in the current climate, is largely

dominated by debt and benefits-related enquiries. Our twin aim is to gather evidence and to lobby for changes in policy in order to benefit the wider community.

Coventry Law Centre is an independent specialist legal advice agency employing solicitors. It offers free advice and representation in Debt, Discrimination, Employment Family, Health and Community Care, Housing, Immigration and Asylum, Public Law and Welfare Benefits. Each year it represents over 500 people at Welfare Benefits tribunals. During this last year that number rose to over 1200 appeals

www.covlaw.org.uk .

Coventry Women's Voices is an independent network of women's organisations, trade unions, organisations providing services to women and individual women who have come together to make sure women's voices are heard when policy is made in Coventry.

www.coventrywomensvoices.wordpress.com

The Centre for Human Rights in Practice is situated in the School of Law at the University of Warwick. It provides a focus for academics, students, practitioners and activists who wish to advance the study and promotion of human rights at local, national and international levels.

<http://www2.warwick.ac.uk/fac/soc/law/chrp/>

National research

Our findings echo two national reports:

'Welfare Sanctions and Conditionality in the UK' published by Joseph Rowntree Foundation in September 2014¹. This report is a 'Round-up' and synthesises evidence collected during the initial stages of a five-year research study focusing on two key questions:

- How effective is welfare conditionality in promoting and sustaining behaviour change amongst welfare recipients?
- To what extent, and on what grounds, can welfare conditionality be morally justified?

Key points regarding benefits sanctions from this report are

- Sanctions are now used much more frequently within the welfare benefits system. The severity of sanctions has also increased and conditionality is now applied to previously exempt groups (e.g. lone parents, disabled people).
- Benefit sanctions are having a strongly disproportionate effect on young people under 25, and there is also evidence of severe impacts on homeless people and other vulnerable groups.
- International evidence indicates that benefit sanctions (especially severe sanctions) substantially raise exits from benefits, and may also increase short-term job entry; but the longer-term outcomes for earnings, job quality and employment retention appear unfavourable.

¹ <http://www.jrf.org.uk/sites/files/jrf/Welfare-conditionality-UK-Summary.pdf>

- Concerns that welfare conditionality leads to a range of unintended effects, including: distancing people from support; causing hardship and even destitution; displacing rather than resolving issues such as street homelessness and anti-social behaviour; and negative impacts on ‘third parties’, particularly children.

Our research reveals evidence of such unintended effects and in particular the effect of distancing people from support.

The Independent Review of JSA Sanctions headed by Matthew Oakley which reported in July 2014 set out five recommendations for an effective benefit sanctions system. The system should:

- Increase compliance with labour market requirements, particularly attending meetings with advisers;
- Be clear and easy to understand;
- Be fair, timely, and consistent in the way it is imposed;
- Be proportionate and not create excessive hardship.
- Claimants who are sanctioned should have easily accessible and understandable recourse to appeal, and potential redress, where they believe they have been unfairly treated and decisions are subsequently overturned in their favour²

Our research concludes that in too many cases in Coventry the application of sanctions is failing to meet some or all of these principles.

Key findings

Issues arising before sanction

- Too many vulnerable people are being sanctioned without account being taken of their difficulties.
- Some claimants are being given appointment times or required to take part in training or work placements that take no account of caring responsibilities, health appointments or trauma following domestic or sexual violence or abuse.
- Some claimants are being set requirements for job search that are not possible for them to complete due to learning difficulties or difficulties with written or spoken English.

Problems with the process of applying sanctions.

These include:

- Sanctions that have been wrongly applied or applied for very minor errors,

²https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/335144/jsa-sanctions-independent-review.pdf

- Sanctions that have been applied with no warning, with people sometimes only realising that they had been sanctioned because there was no money in their bank account
- Confusing, contradictory or non-existent information given about the reason for sanction, the length of the sanction and rights of appeal
- Difficulty for participants in communicating with the job centre, particularly the requirement to use the telephone rather than speak to someone in person at a time when they cannot afford credit on their mobile phone

Problems with the relationship between sanctions and other benefits

These include:

- People not being told about hardship payments or wrongly told that they cannot claim hardship payments
- People not being told about the need to inform housing benefit about the sanction so having their housing benefit stopped

Perception among in depth interview participants that the Job Centre does not offer support with job search

- Job centre requirements seen as a ‘game’ or ‘ticking boxes’ rather than about finding work
- Several participants reported that they had requested help with specific training courses that had not been forthcoming
- The sanctions process had undermined participants trust in the Job Centre

Negative impact of sanctions on claimants

These included:

- Financial problems, being left with no money for rent, food or utilities
- Increased debt
- Increased mental health problems
- Negative impact on relationships with family and friends

Impact of sanctions on job seeking behaviour

- In many cases sanctions appear to make it harder for claimants to look for work as a result of lack of money for telephone or travel costs, lack of access to a computer, and reduced time for job search because of focus on finding money or increased stress and mental health problems.
- 85% of those sanctioned reported that they understood what was required of them to look for work. However the in depth interviews suggest that any change of behaviour is focussed more on meeting the requirements of the job centre rather than a change in behaviour that will realistically increase their chance of finding work.

Commitment to finding work

- Most of the participants in the in depth interviewed discussed their commitment to finding work.

Background to the project

This research project developed following concerns raised by a large number of groups in Coventry about the impact that welfare benefit sanctions were having on people in the city. The Centre for Human Rights in Practice and Coventry Women's Voices held a round table meeting with advice agencies in November 2013 which highlighted a number of problems with sanctions including:

- Examples of sanctions that appeared particularly severe, including one person sanctioned for six weeks for being five minutes late to sign on, who as a result may become homeless, and another sanctioned for accidentally putting the date of a job application and the job applied for in the wrong boxes on a form.
- Examples of stress, depression and other mental health problems, including increased suicide risk among clients as a result of sanctions, particularly among female victims of domestic or sexual violence.
- In some cases people only found out that they had been sanctioned when their benefits were stopped and did not know what they had done wrong, or that they had a right to appeal.
- Families with children being left with no income to buy food or pay bills and at increased risk of homelessness because of rent arrears.

As a result of concerns raised at this meeting it was agreed to set up a working group to research the impact of sanctions on people in Coventry and carry forward work in this area. This report summarises the findings of that working group.

DWP data on sanctions in Coventry

Sanctions affect Job Seeker's Allowance (JSA) and Employment Support Allowance (ESA) for claimants in the work related activity group (WRAG) and are applied when DWP consider that the claimant has not taken sufficient steps to look for work or to prepare themselves for work.

New **JSA sanctions** were introduced in October 2012:

- The highest sanction will see Jobseeker's Allowance withdrawn for 13 weeks. This rises to 26 weeks for a second "failure" and 156 weeks for a third
- An intermediate sanction for failures such as not actively seeking a job or being available for work which result in a claim being terminated. If the claimant makes a new claim a sanction of 4 weeks initially or 13 weeks for subsequently breaking the rules is imposed
- A lower level sanction, resulting in loss of benefit for up to 13 weeks, for failures such as not attending an interview with a jobcentre adviser. Unlike an intermediate sanction, the benefit restarts automatically

A new sanctions regime for **ESA claimants in the WRAG** was introduced in December 2012.

- claimants in the WRAG who fail to comply with the conditions for receiving benefit receive an open ended sanction, followed by a fixed period sanction when they re-comply
- the sanctionable amount is the prescribed amount for a single claimant (£72.40)
- a hardship regime for ESA claimants was introduced

Impact in Coventry

Recently published data from DWP shows the number of JSA sanctions imposed in Coventry between October 2012 and March 2014 was 9,107 (4,353 low level sanctions, 4,103 intermediate level sanctions and 653 high level sanctions). In addition to the 9,107 adverse sanctions imposed, an additional 12,121 sanctions have either been not applied (non-adverse), reserved or cancelled.

Since the introduction of the new sanction regime on the 22nd October 2012, as of March 2014 there have been 221 ESA sanctions imposed (adverse) in Coventry, 130 of which have been imposed in the last two months of data (February and March 2014). 196 of those ESA sanctions imposed are due to failure to participate in work related activity.

Research findings

The Independent Review of JSA Sanctions headed by Matthew Oakley which reported in July 2014 set out five recommendations for an effective benefit sanctions system. The system should:

- Increase compliance with labour market requirements, particularly attending meetings with advisers;
- Be clear and easy to understand;
- Be fair, timely, and consistent in the way it is imposed;
- Be proportionate and not create excessive hardship.
- Claimants who are sanctioned should have easily accessible and understandable recourse to appeal, and potential redress, where they believe they have been unfairly treated and decisions are subsequently overturned in their favour³

Our research concludes that in too many cases in Coventry the application of sanctions is failing to meet some or all of these principles and the interviews we have conducted reveal evidence of the unintended consequences highlighted in the Joseph Rowntree Foundation Report ‘Welfare Sanctions and Conditionality in the UK’, September 2014⁴. .

All too often claimants do not know why they have been sanctioned, what they have been sanctioned for or what they can do about it. Sanctions are leading to significant problems with debt, increased risk of homelessness and having a major impact on mental and sometimes physical health. In many cases the impact of sanctions is to make it harder for claimants to look for work. In some cases vulnerable people are being set job search requirements that it is impossible for them to comply with and then being sanctioned when they fail to comply. In the light of the PCS⁵ national survey of Job Centre staff which reported that over a third had been placed on or threatened with a Personal Improvement Plan for not applying enough sanctions, this raises worrying concerns that in some cases Job Centre staff may be focussing on vulnerable claimants in order to meet targets.

Issues arising pre sanction

From the case load of both Coventry Law Centre and Coventry Citizen’s Advice Bureau it seems that too many vulnerable people are being sanctioned without taking any account of their difficulties. For example people who can’t attend interviews at certain times as a result of health problems, childcare or other commitments are repeatedly given the same time for their interviews. Other examples are people with dyslexia or limited English who are

³https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/335144/jsa-sanctions-independent-review.pdf

⁴ <http://www.jrf.org.uk/sites/files/jrf/Welfare-conditionality-UK-Summary.pdf>

⁵ Public and Commercial Services Union – representing civil service staff

sanctioned for incorrect completion of their job search or people with learning difficulties who cannot tell the time being sanctioned for being late for appointments..

In their decision making it appears that DWP lack insight into the difficulties that people are experiencing and also appear to have no flexibility to take account of them, or are not using that flexibility.

Evidence: Coventry Rape and Sexual Abuse Centre with Rape Crisis England and Wales has raised concerns about the treatment of women who are vulnerable following sexual assault or rape. These included sanctions or threat of sanctions against women for not applying for jobs that would put them at risk, for example near the perpetrator's home or place of work. In addition there is a failure to recognise the impact of post-traumatic stress as a result of sexual assault that can lead to panic attacks and flashbacks if a woman is required to take part in work placements or training programmes in environments where she does not feel safe.⁶

A survey by the PCS union of their members working in Job Centres in April this year showed that: 61.8% experienced pressure to refer claimants for sanctions which they thought might be inappropriate. 81.9% said that they had been told that there was an expectation of referrals for sanction to Decision Maker and Appeals and 23.3% said that they had been given a target for such referrals. 36.1% had been placed on or threatened with being placed on a Performance Improvement Plan for not making enough referrals. This suggests that, although DWP say there is not a formal policy to set targets for sanctions, in practice many DWP staff do feel under pressure to sanction.

Problems with the process of applying sanctions

Reasons for sanction

Several participants reported sanctions that appeared to have been imposed because of failures to communicate what was required, or because information from participants was not recorded or passed on. This is in line with the conclusions of the Independent Review of JSA Sanctions which concluded that 'some claimants lacked a detailed understanding of the requirements being placed on them and the processes surrounding sanctions. This was particularly found to be the case for some more vulnerable groups and claimants with specific barriers to work'.⁷

A particular problem arises when claimants are unable to attend a back to work scheme. In these circumstances the back to work scheme provider is obliged to inform the DWP that the person has not attended, even if they have given good reason for non-attendance. The CAB nationally has reported sanctions being wrongfully imposed because claimants who are unable to attend a back to work scheme (for example because of illness or a job interview) inform the provider but are not aware that the provider is obliged to report them for non-

⁶ Rape Crisis England and Wales and CRASAC evidence to the Fawcett enquiry into women and the welfare benefit system.

⁷https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/335144/jsa-sanctions-independent-review.pdf

attendance and are then sanctioned by the DWP.⁸ This problem was highlighted by the Independent Review of JSA sanctions which recommended that back to work schemes should be allowed to accept 'good reason' justification for non attendance without having to make a referral to the DWP. The Government has accepted this in principle but the change would require new legislation. In the meantime the Government says that it has 'ensured that providers are given the maximum amount of discretion within the boundaries of existing legislation'.⁹ This is a welcome development; however we remain concerned about how this policy will be implemented in practice, particularly in the light of the survey of DWP staff by the PCS union (see below)

Cases from Coventry included:

Case 1 A Coventry Law Centre client was sanctioned for 3 months for failing to attend at a work programme placement and for not having a good reason for not attending. The work placement was at a charity shop and on the first day of the work placement the claimant was unwell with a sickness bug. He phoned the number for the Employment and Skills group he had been given in the letter for this eventuality and also phoned his employment advisor at the jobcentre. The next day he felt better so went to the charity shop. The manager advised him to go home and said she would get someone from Employment and Skills group to ring him. 2 days later when no one had called him the client again contacted the jobcentre. In each of these 4 contacts he made he explained he was ill on the first day. About 10 days later he received the sanction decision. The Law Centre assisted with a mandatory reconsideration of this decision and the decision was overturned as the decision maker then accepted he had good cause for not attending the work programme. It is assumed that despite these 4 contacts no record was made or passed to the decision maker of the claimant's ill health on the day, Had this claimant not had assistance to overturn this decision he would have lost 13 weeks benefit for being ill on one day. .

Case 2 Participant carried out job search at Sensia but did not speak to her advisor there as she -was told that her advisor was too busy to speak to her and she would be send details of another appointment. She was then sanctioned for not attending because she was not aware that she needed to sign in and as she had not seen her advisor there was no proof she had attended. Participant did not realise she needed to sign in as no one had explained the process to her. The job centre told her she would be sanctioned but did not tell her what for. Participants claim was a joint claim with her partner. The sanction should only have applied to her benefit but benefit was stopped for both of them. Nobody from the job centre spoke to the participant to find out her side of the story before the sanction was imposed. This claimant is being assisted with a mandatory reconsideration by the Law Centre. The decision has been amended in that the correct rate of sanction has now been applied but the mandatory reconsideration remains outstanding 3 months after being requested

⁸http://www.citizensadvice.org.uk/index/policy/policy_publications/er_benefitsandtaxcredits/cr_benefitsandtaxcredits/review_jsa.htm

⁹https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/332137/jsa-sanctions-independent-review-government-response.pdf

Confusion/lack of information about sanction process

All of the participants appeared to find the sanctions process confusing. Sometimes they received no information about the sanction until they discovered there was no money in their bank account. Some were not clear what they had been sanctioned for, how long the sanction would last and were not told their right to appeal.

Examples include:

Case 3 The Law Centre are assisting a 20 year old young man who had 2 sanctions one for 4 weeks and one for 13 weeks for failure to attend appointments with Groundforce his work programme provider. On both occasions he had not received any letter stating that he had to attend and appointment. He had always attended regularly before these incidents. Before the second appointment he had taken a phone call to let him know that an appointment would be arranged and he would get a letter to confirm this. No letter was received. The lack of income led to firstly an estrangement from his own family who could not afford to support him. The client then moved to Birmingham to stay with his girlfriend's family but the financial pressures led to a further breakdown and he was rehoused in a hostel in Coventry. The claimant also needed to claim Hardship Payments, discretionary Housing Payments, and use foodbanks in order to manage for this long without benefits. The Law Centre assisted with mandatory reconsideration letters and the decisions were overturned although not all of the benefit owed was reimbursed due to him being considered to not have a continuous claim when he moved from Birmingham back to Coventry. In addition some further payment was withheld because the claimant was alleged to have an outstanding overpayment. However the claimant had received information 6 months previously from DWP to confirm that the overpayment had been recovered in full. A further letter has been sent in about these sums which have been withheld and this remains outstanding at the time of writing.

Case 4 A Law Centre claimant believes she has had no letters to tell her she was going to get a sanction. She has been homeless but can have letters sent to her mother's address. The participant was confused about the length of the sanction and when it would finish and has found it difficult to find information about the sanction and what she can do about it. The claimant was sanctioned after attending her work programme appointment late. Her reasons for lateness were that she had been sleeping rough the previous night, had had to pawn her phone and had no means of telling the time. As a consequence she attended an hour late. The Law Centre attended an appointment with her at Cofa Court to make the mandatory reconsideration. The officer conducting this meeting was unable to confirm when the sanction decision had been issued. The Law Centre assisted her to obtain hardship payments and food vouchers. The Mandatory reconsideration was successful and benefit has been reimbursed

Difficulty in communicating with the Job Centre

The confusion among participants was made worse by the fact that they were often required to contact the Job Centre by telephone rather than speaking to an advisor. This was particularly difficult when they had no money to pay for telephone calls.

Case 5 Participant complained about the cost of calling the job centre on her mobile to discuss her sanction – she was struggling to afford credit on her mobile as a result of the sanction

Case 6 Participant had to go to a women’s refuge to use the phone to contact the job centre as she had no credit on her mobile and no money for transport.

Problems with the relationship between sanctions and other benefits

Housing benefit

When a claimant is no longer entitled to JSA (for example if they have found a job) the Job Centre automatically informs the Housing Benefit office. However this also includes cases where a claimant has been sanctioned. In order to prevent Housing Benefit being stopped claimants have to contact their Housing Benefit office to inform that they have been sanctioned but still need Housing Benefit

A number of participants in our study had their housing benefit stopped when they were sanctioned because they were not aware that they had to contact housing benefit to inform them of the sanction and their financial situation.

Case 7 A Law Centre client who lived in Holbrooks was given a 4 week sanction for not starting a temporary part time agency job in Willenhall. The start time for the job was 7.30 am and the claimant had advised the Job centre at the time she was told of the job that she could not take up the job because the buses would not get her to work until 8 am. The claimant was sanctioned as it was considered she did not have a good reason for not taking up the work. The claimant’s Housing Benefit and Council tax Support were both stopped and she was given no information by the Jobcentre of what to do about this. The Law Centre assisted with a mandatory reconsideration which was successful and also advised her to notify Housing Benefit of her change of circumstances, The Mandatory Reconsideration was successful and the claimant’s benefit was reimbursed. This problem was raised in the Independent Review of JSA sanctions and the Government has committed to finding an IT solution by autumn 2014. In the short term Job Centres should inform claimants of the need to contact their Housing Benefit office.

Hardship payments

Only 38% of claimants we surveyed were told about the possibility of claiming a Hardship payment. In one case in an in depth interview a claimant was wrongly told that they were not entitled to a Hardship payment.

Case 8 The Law Centre has assisted a young man with learning difficulties and dyslexia which the Job Centre was aware of. The claimant's learning difficulties meant that he could not This young man was required to attend a work programme with Sarina Russo. He had 5 sanctions although it took a number of phone calls to establish this. The sanctions were for not actively seeking work and not attending appointments on time. The client was becoming increasingly stressed by his position. He was refused a hardship payment incorrectly because he had not provided sufficiently up to date documents to support his application. He had no written decision for this refusal. The Law Centre assisted also with a mandatory reconsideration of this decision and accompanied him to an interview about this. The claimant had been asked to provide a copy of his tenancy agreement to support the mandatory reconsideration although this document does not need to be provided to make a decision on a mandatory reconsideration. The mandatory reconsideration of the hardship payment refusal was successful. Four of the five other mandatory reconsiderations have also been decided to date in the claimant's favour with one remaining outstanding. The stress the claimant had suffered due to the impact of the sanction and his inability to resolve it himself have meant that the claimant's health has deteriorated to the point where he is no longer fit for work and he is now claiming Employment and Support Allowance

Perception among participants that Job Centre does not offer support with job search

Most participants complained about the level of support they received from the Job Centre in finding work. One described the job search process as a 'game', which was about meeting requirements that didn't have much to do with finding work. Others described feeling punished, bullied or hit with a stick: This is in line with the findings of other organisations. For example Centrepoint reported that 'Many of the young people Centrepoint works with report poor relationships with advisers and cases of negative treatment.'¹⁰

- Case 9 Participant does not feel like she gets any support from the Job Centre, stated that she hates them. Any support comes from other organisations
- Case 10 Participant does not think the Job centre provide support for you to find work, instead they look for ways to punish or bully you into work and look for faults and reasons to sanction in your job search activity rather than offering guidance. He feels that limited computer time at the job shop is a barrier to finding work
- Case 11 The participant was threatened with sanction by a job centre advisor because she couldn't read his handwriting. He felt that this was not fair because he had been applying for jobs and had filled the form in.

There were three participants who had asked for support with specific training courses that had not been forthcoming:

¹⁰http://www.cpag.org.uk/sites/default/files/uploads/centrepoint_submission_to_jobseekers_allowance_sanctions_call_for_information.pdf

- Case 12 Participant had been told by a subcontractor for BT that he could get a job with them if he could drive. He had found an intensive driving course at a reasonable price and spoken to the job centre about it. The Job Centre had agreed that he should be given the money to do the driving course, but he waited three months and did not receive the money to go on a driving course, without which he couldn't do the job
- Case 13 Participant feels like the job centre are messing him around and that they make things more difficult to do such as refusing to let him inform them of a change of bank details in person and insisting he do it over the phone. He has asked for help with training courses and for a CSCS card (a construction qualification) but hasn't heard anything back.
- Case 14 Participant asked if the job centre could fund training for an SIA licence to work in security but they would not do this. He says that the job centre does not like him. He has not heard from his new advisor and feels that the job centre does not provide the support he needs to find work. He feels that this lack of support and limited computer time at the job shop is the biggest barrier to finding work

Mandatory reconsideration and appeals

In 2013 a new stage of Mandatory Reconsideration was introduced for people who wanted to appeal against a sanction decision. Now if someone who is sanctioned wishes to dispute the sanction they must apply to the DWP for a 'mandatory reconsideration' before they can appeal to Her Majesty's Courts and Tribunals Service (HMCTS).

The DWP has circulated guidance to their staff which advises that claimants must have a verbal explanation of the decision if they wish to dispute it. If they remain unhappy, they must next be provided with a detailed verbal explanation and then finally a written statement of reasons before they can request mandatory reconsideration – even though legally mandatory reconsideration is the first stage in the dispute procedure. The guidance states that “in order to reduce mandatory reconsideration and appeal requests, this is the preferred method and you must encourage the claimant to follow this option initially”

This makes the process of appeal very lengthy and difficult to navigate. This situation is compounded by the fact that Decision Makers are based in a variety of locations around the country, each specialising in different reasons for a sanction being applied.

This spread of Decision Makers also means that where somebody has been sanctioned a number of times then there may be a large number of offices involved.

The complexity of these internal processes means lengthy delays in the mandatory reconsideration process, and it also causes advice workers to spend significant time following the process through. .

Impacts

Sanctions are having a significant financial impact on those sanctioned and their families. In our survey 40% of respondents had had to cut back on food, 33% had had trouble paying

other bills, 16% had had to rely on family and friends for support, 16% were in rent arrears, 14% were in increased debt and 17% mentioned other general financial impacts.

The negative impact of sanctions on claimants has been widely reported.

Financial impacts

All the participants reported negative financial impacts as a result of the sanction. These included lack of money for basic necessities (food, rent, utilities) and increased debt.

Case 15 During sanction participant was living on £28.50 a week and paying £15 a week rent to a friend which left very little money for other necessities:

‘It’s not just like clothes wise, it’s like... you know, like your deodorant and things that you need to get’

Case 16 Sanction left participant with no money and has had to sell personal belongings

Case 17 Sanction left the client with £30 a week less than previously he is struggling to pay household bills

Case 18 Participant couldn’t pay for food, rent (not covered by housing benefit because of the bedroom tax), or fuel

Case 19 Participant had been left with no money

Case 20 Participant was living on about £70 a fortnight in hardship payments. He paid £20 on gas, £20 on electricity and £10 on water leaving him £20 for everything else for the fortnight.

Case 21 Participant had no electricity or gas as it was on a meter and he could not afford to top it up. It was winter so very cold but he had no money to go out anywhere

Case 22 Participant was unable to buy winter clothes for her children when the weather was cold.

In some cases participants were going without food as a result of sanctions:

Case 23 Participant had no access to food and found it difficult to find something to eat. He has diabetes which makes going without regular meals an even greater problem

Case 24 The participant has found it difficult to get money for food and clean clothes. She sometimes eats at her mother’s house

Case 25 Participant could not afford to pay for laundry or buy food

Case 26 Participant did get food from the foodbank, but he couldn’t use a lot of it because he had no means of cooking or heating it. He did sometimes take it to friend’s houses to cook however this meant he had to share his limited food with the other people who were there.

Debt

Most participants were in debt as a result of the sanction

Case 27 Participant is in debt to various family members including her mother and grandmother. She has 'had to sell everything I owned to Cash generators'

Case 28 Participant is in debt and the situation is getting worse because of interest owed.

Case 29 Participant now has had bank charges of over £500 for going overdrawn without an overdraft and bounced direct debits. She has had to borrow roughly £200 from friends for utilities and fuel

Case 30 Participant owed a lot of money to other people

Case 31 Participant had been borrowing from friends, which left him short when his money came in because he first had to pay off the money he had borrowed.

Case 32 Participant is in rent arrears as his housing benefit was stopped due to the sanction.

Case 33 Participant has rent arrears and an overdraft in order to pay bills.

Health impacts

All participants reported increased stress, depression and anxiety. Several reported suicidal thoughts

Case 34 Participant felt trapped inside, down and depressed as a result of the sanction

Case 35 Participant suffered from stress as a result of the sanction. He is prone to manic depression and has been suicidal

Case 36 Both the benefit sanction and the previous loss of his job caused emotional stress to the participant. He has had difficulty sleeping at night and feels anxious. He felt very pessimistic about changing his situation

Case 37 Participant was really shocked and worried by the sanction. She has suffered from stress and anxiety and has had to see her doctor because of problems sleeping. She has a history of depression and the sanction has been a trigger

Case 38 Participant felt disrupted and jumbled. He doesn't know what to do and feels that there are a lot of things that could stop him in life and he is worried about this.

Case 39 Participant reported serious health effects due to the sanction. He felt himself getting seriously ill and very very low. He felt suicidal.

Case 40 Participant suffered serious health effects as a result of the sanction (low mood and depression). He was having trouble sleeping. He thought the situation was bleak and was suicidal at points. The timing of the sanction (around Christmas) made it particularly hard to deal with. While his depression has improved since the lifting of the sanction he is still suffering from its effects.

Case 41 Participant had found the whole situation very stressful and became frustrated and depressed. Her oldest child (aged 9) was also affected as she became aware of the situation and began to take on some of these stresses

Case 42 One participant also reported physical health problems

Participant had a nervous skin condition covering her body which she believes was brought about by the stress of the sanction

Strain on relationships

Sanctions had had a negative impact on participants' relationships with family and friends, particularly when they had had to borrow money:

Case 43 Participant felt guilt in having to rely on her friend and borrow money and was unable to pay him her share of bills. She felt about relying on him for financial support

Case 44 Participant lost contact with some friends during the sanction because she could not go out

Case 45 Participant said the sanction had affected her relationship with her children as they didn't understand why she couldn't give them pocket money.

Case 46 Participant has had offers of money from his father but so far has refused help. He wishes to stay independent as possible

Case 47 Participant has borrowed money from friends but this has caused stress and concern because she does not know when she will be able to pay them back.

Case 48 Participant reported that the sanction had caused strain in his relationships. He was living with his girlfriend but lack of money caused strain so he moved back in with his mother. This relationship broke down and he is now living in a hostel.

Case 49 The sanction put a lot of strain on the participants' relationships with friends and family. He had to ask people for money or favours. It was difficult because a lot of his friends did not have money to spare. It was even worse because it was Christmas time. He notes that people now see him as always needing things or favours

Effectiveness of sanctions

The aim of sanctions is to increase claimants' likelihood of taking paid work or taking part in programmes designed to increase their chances of finding paid work. However our research found that in practice the impact of sanctions can make it harder not easier for claimants to look for work

The majority of participants in the in depth interviews complained that being sanctioned made it harder for them to look for work. The loss of income meant that they had less (or no) money for phone calls or travel costs for interview and they had reduced time for job search because of the need to focus on finding money for food and rent and the stress and mental health problems caused by sanctions. In addition most had little faith in the Job Centre to help them look for work, which means that they may be less likely to access such support as is available.

These findings are in line with research in other parts of the UK. The Scottish Parliament's Welfare Reform Committee carried out research into the impact of work conditionality and sanctions concluding that 'Benefit sanctions can lead to a spiral of decline and potentially destitution, often getting in the way of people getting back to work.'¹¹ A 2010 review of the international evidence of the effectiveness of sanctions for the Joseph Rowntree Foundation found that while sanctions are effective in getting people off benefits they can have a negative impact on their chances of actually getting a job, and negative long term social impacts including increased criminality.¹² More recent reports by Citizen's Advice Scotland and Manchester Citizen's Advice Bureaux had similar findings; sanctions had a negative impact on claimants' ability to look for work.¹³

Cases from our in depth interviews in Coventry included:

- Case 50 The sanction meant that the participant had no money to travel to the work programme in Hinkley but he was told if he missed meetings there could be further sanctions He had no credit on his phone or money to travel which affected his ability to find jobs. He believed the sanction made it very difficult to satisfy the JSA search requirements
- Case 51 She is studying at college and volunteering to try to increase skills and experience. Both of these were disrupted because of the stress of the sanction and because she could not afford the travel cost. The sanction made it harder for her to look for job and complete her job search as she had to worry about how she was going to live.
- Case 52 Participant struggled to afford money to travel to look for work. He had had to sell his computer to make money making job searches more difficult.
- Case 53 Participant said that the sanction made it harder to carry out job search activity as he had to worry about where food or money was coming from before he could look for work. He needed a qualification to work in security that the job centre would not fund. He had funded this himself at the cost of £450 once the sanction had ended. He felt that if he had not been sanctioned he would have been able to get this badge sooner and might have had more chance of being in work.
- Case 54 Participant was now claiming ESA rather than JSA because of illness caused by the sanction. The sanction had made it harder for him to look for work – before he could even think of job search he had to worry about how he was going to eat and live. He could not afford phone credit so could not phone employers for work
- Case 55 The participant has a mistrust of the job centre as a result of the sanction and the correspondence surrounding it.

¹¹https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/323919/ssac_occasional_paper_9.pdf

¹²Griggs, J. and Evans, M. (2010)Sanctions within conditional benefit systems: a review of evidence, JRF <http://www.jrf.org.uk/sites/files/jfr/conditional-benefit-systems-full.pdf>

¹³<http://www.cas.org.uk/news/new-report-exposes-full-impact-benefit-sanctions> and http://www.socialpublishingproject.com/uploads/9/6/1/1/9611868/punishing_poverty_-_sanctions_and_their_impacts.pdf

- Case 56 Participant felt that every time he went to the job centre he didn't know whether he was going to be sanctioned or not - leading to a negative attitude to the job centre 'the people that need to most help were being smacked'
- Case 57 Participant is anxious about possibility of future sanctions and talks about the job centre in terms of uncertainty and lack of clarity

Sanctions have little impact on realistic job search

In our survey 85% of claimants said that they now knew what was required of them to seek work. However the findings of the in depth interviews suggest that this may represent a greater understanding of what is required by the Job Centre rather than a change in activity that would be likely to lead to a job. Participants were asked if the sanction they experienced had had any impact on their job search behaviour. Most of them said that their behaviour hadn't changed as a result of being sanctioned. Where behaviour had changed it was to avoid sanction rather than increase realistic job search (for example by making sure to sign in at a work programme provider or filling in a job search form in more detail)

Case 58 Participant said that her behaviour hadn't changed as a result of the sanction because she was already complying with the Job Centre requirements and the sanction had been imposed in error

Case 59 Participant felt sanctions do not help people find a job 'it just puts more hardship on people'. She can't work anyway due to illness

Case 60 Participant does not think she will be sanctioned again (she was sanctioned for being late to sign on as she was sleeping on the streets and had no access to an alarm clock or phone)

Case 61 The sanction made the participant change his behaviour in that he was applying for more jobs, but these are jobs that he had no intention of taking or expectation of being offered just to satisfy the JSA job search requirements. He can apply for 30-40 jobs per week using websites that hold his CV

Case 62 Participant work related and job search activities have not changed as a result of the sanction, but she now knows to sign in at Senica

Case 63 Participant's job search behaviour hasn't changed much since the sanction but it makes sure he fills out the form in as much detail as possible. However he feels that it is up to the job centre to decide what is sufficient and he can do little about this.

Importance of food banks

In our survey 46% of respondents had used or been referred to the food bank. All participants in the in depth interviews reported having used food banks as a result of sanction. Of the people referred to food banks by Coventry CAB 15% were as the result of a benefit sanction. As well as providing food, food banks appeared important in signposting people to other sources of help.

Case 64 Participant is a volunteer at City Mission Food bank and they advised her to go to Coventry Law Centre for help with her sanction She has also used the foodbank for fuel She has also used the women's refuge to use the phone

Case 65 Participant had to use Foleshill Baptist Church food bank three times and describes them as 'really helpful'. they told him to contact the Law Centre to challenge his sanction Participant has sought help from a number of voluntary agencies as a result of being homeless. They recommended that he went to the council. Eventually he found a place in a YMCA hostel

Case 66 Participant had used the foodbank twice; he was reluctant to use his third voucher because he knew he could only have three vouchers a year. He knew a person at a foodbank who helped him access food without a voucher and thinks he must have used food banks 10 times during the sanction although he had to travel to different food banks so that staff did not recognise him. He has not received support from any other organisations

Case 67 Participant used the foodbank but could not use all the food because he had no way to cook it. He said that the amount of food given varied between food banks from between six bags of food to one or two. He also used the Salvation Army to get a hot meal and shelter

Case 68 Participant had been referred to a food bank on at least five occasions

Commitment to finding work

Most of those interviewed discussed their commitment to finding work. Two participants had health problems that might have made them eligible for ESA rather than JSA but had chosen not to claim ESA because they were anxious to find work:

Case 69 One participant used to be on ESA (he has a history of heart problems, including heart attacks and is diabetic and suffers from hypoglycaemia) but elected to go onto JSA voluntarily because he wished to find work. He ended up feeling 'battered' and 'being taught with a big stick'

Case 70 Another participant is recovering from an operation to remove a cancer and has also recently been in hospital for a thyroid problem. However she does not wish to claim ESA as she really wants to find work

Three participants mentioned training courses that they wished to undertake in order to increase their chances of finding work. Two mentioned that they volunteered in order to increase their skills and experience.

Conclusions and recommendations

Our research findings strongly support the findings of national research and research conducted locally elsewhere in the UK.

More extensive studies than ours are beginning to unearth unintended consequences of the conditionality approach.

We recommend that Government policy is reviewed in light of these findings

Locally, our surveys and casework identify opportunities for improvements in the process of applying sanctions. A meeting of the Welfare Reform Working Together Group with Martin Buxcey, DWP District Operations Manager, took place on 1st September 2014.

At this meeting it was agreed:

- To develop a local protocol that can be used to escalate to DWP concerns about individual cases
- A single point of contact to be identified at DWP
- Specific case examples would be forwarded to DWP to allow specific issues to be addressed with staff
- Joint training between DWP and partners to focus on early intervention and prevention so consistent advice and support is given to people to avoid sanctions
- DWP will explore the possibility of work coaches attending appeal hearings

Further reviews are recommended by the Welfare Reform Working Together Group of the numbers and types of sanctions and appeals lodged against these to establish whether the steps agreed are effective in achieving the principles of an effective benefits sanction scheme as recommended by the Oakley Report.