

Benefit sanctions and homelessness: a scoping report

Christina Beatty, Mike Foden, Lindsey McCarthy,
Kesia Reeve

March 2015

About Crisis

Crisis is the national charity for single homeless people. We are dedicated to ending homelessness by delivering life-changing services and campaigning for change.

Our innovative education, employment, housing and well-being services address individual needs and help homeless people to transform their lives.

We are determined campaigners, working to prevent people from becoming homeless and advocating solutions informed by research and our direct experience.

About the authors

Dr Kesia Reeve is a Principal Research Fellow in Housing in the Centre for Regional Economic and Social Research at Sheffield Hallam University. Her main area of expertise is housing exclusion and disadvantage and she has authored numerous policy and academic publications on this subject.

Christina Beatty is Professor of Applied Economic Geography in the Centre for Regional Economic and Social Research at Sheffield Hallam University. She is a statistician by background and has published widely on the impacts of welfare reform, unemployment, the growth in the number of claimants of disability benefits and the economic geography of Britain

Lindsey McCarthy is a Research Associate in the Centre for Regional Economic and Social Research at Sheffield Hallam University. She has particular expertise in qualitative methods and has recently completed a PhD about women and homelessness

Mike Foden is a Research Associate in the Centre for Regional Economic and Social Research at Sheffield Hallam University. He has expertise in both qualitative and quantitative research methods and has delivered policy evaluations for government departments, local authorities and voluntary sector organisations.

Crisis head office

66 Commercial Street

London E1 6LT

Tel: 0300 636 1967

www.crisis.org.uk

© Crisis 2015

ISBN 978-1-78519-008-7

Crisis UK (trading as Crisis). Registered Charity Numbers:
E&W1082947, SC040094. Company Number: 4024938

Contents

<i>Executive summary</i>	i
1. Introduction	1
2. Welfare Conditionality: The “something for something’ welfare state”	2
2.1 Overview of the new sanctions regime.....	3
2.2 Key points.....	4
3. Benefit Sanctions: Policy objectives and intentions	5
3.1 “The best welfare policy of all is work” (DWP, 2006, piv)	5
3.2 Sanctions “motivate claimants to take the necessary action to find work, and to ensure the system is fair to the taxpayer” (DWP, 2014c: 15)	7
3.3 Key points.....	8
4. Trends in sanctions	9
4.1 Numbers of sanctions	9
4.2 Key points.....	13
5. Sanctions applied to homeless claimants	14
5.1 Insights from the 2011 census.	14
5.2 Insights from other evidence	17
5.3 Key points.....	18
6. Geography of sanctions	19
6.1 Key points.....	24
7. Applying sanctions: ‘appropriate to capability’ or ‘punitive and arbitrary’?	25
7.1 Reasons for sanctions: official statistics	25
7.2 Reasons for complying with conditionality.....	28
7.3 Key points.....	31
8. The impact of sanctions on claimants	32
8.1 Key points.....	34
9. The impact of sanctions on homelessness: Mapping the relationship between homelessness, benefit sanctions and wider reforms	35
9.1 Sanctions: increasing the risk of homelessness?.....	35
9.2 Sanctions, homelessness and other reforms	36
9.3 Key points.....	38
10. Conclusion	39
Bibliography.....	40

Executive summary

Policy context

In 2010, the incoming Coalition Government pressed ahead with plans set in train by the previous administration for a programme of welfare reform that placed conditionality and responsibility at the heart of welfare policy. In March 2012, strengthened conditionality and a harsher sanctions regime were enshrined in law when the *Welfare Reform Act 2012* received royal assent. A key change has been **increased severity and length of sanctions:** a claimant can have their benefit withheld for up to three years if they do not meet the stringent requirements now placed upon them.

The core objective of welfare reform is to encourage (support, incentivise) more people into work, underpinned by the view that rights must be balanced by responsibilities; that no one should get 'something for nothing'. **Government rationale for the use of sanctions is that they are effective in changing behaviour** that will, in turn, reduce unemployment. However, with no robust evidence to support this claim, the effectiveness and fairness of the sanctions regime has been questioned.

Sanctions: trends and numbers

In the past 13 years 6.8m sanctions have been applied to Job Seekers Allowance (JSA) claimants and, since the introduction of Employment Support Allowance (ESA) in 2008, 115,300 sanctions have been applied to ESA claimants. However, **the sanctions rate has increased dramatically over the past five years** and, in particular, since the introduction of the new regime in 2012. For example:

- The number of JSA sanctions per 100 claimants has almost tripled, from 2.5 sanctions per 100 claimants per month in the year ending March 2001 to seven per 100 claimants per month in the year ending March 2014
- The average monthly number of JSA sanctions has risen dramatically from 35,500 a month up to October 2012 to 84,800 after this date
- There has been more than a three-fold increase in ESA sanctions from 1,400 per month in March 2013 to 5,400 in March 2014

The most common reason for a sanction at present is failing to actively seek work, with around one in three sanctions imposed for this reason. Over half of all JSA sanctions are at the lower level, one third at the intermediate level and currently less than 10 per cent at the higher level.

Sanctions and homelessness

The official statistics on sanctions do not include details of claimants' housing circumstances. As a result robust data on the numbers of homeless people sanctioned are not available, representing a critical gap in the evidence base. The tentative insights that can be gleaned from wider evidence and statistics suggest that **homeless people may be disproportionately affected by sanctions.** For example:

- Claimants who are sanctioned and homeless people in hostels and shelters share some key characteristics, most notably age and gender profile. Homeless people are, therefore, more likely to be sanctioned - simply by virtue of their age and gender - before other factors are taken into account
- Available research evidence suggests that a relatively high proportion of homeless people are sanctioned - one third according to one study
- There is a strong body of evidence that

points to an increased risk of sanctions amongst 'vulnerable' groups and those with characteristics likely to present barriers to navigating the system.

Homelessness is rarely mentioned in these studies but we know from the extensive literature about single homeless people that such barriers (ill health, substance misuse, lack of work experience, literacy issues and low self-esteem, amongst others) are commonly experienced by homeless people.

Homeless people, then, may face a 'double whammy': disproportionately sanctioned by virtue of belonging to groups over-represented in the sanctions statistics (young, male), but also more likely to experience barriers to complying with the new conditionality regime.

Such evidence has raised questions about the fairness, appropriateness, and effectiveness of the sanctions regime in relation to homeless people. An independent review and the Work and Pensions Committee scrutinised the sanctions system in 2014 and found it lacking. Evidence is presented about poor communication, letters that are impossible to understand, lack of provision for people who face difficulties storing documentation, do not have access to the internet, and have limited literacy, and limited flexibility to accommodate claimants' other commitments including hospital appointments and job interviews.

The impact of sanctions

Benefits are a vital lifeline to help people make the transition out of homelessness. The withdrawal of benefit will have a detrimental impact on any claimant but for those already suffering hardship the consequences may be particularly severe. There is **evidence of a range of negative outcomes associated with sanctions** including:

- Food poverty
- Survival crime
- Family/relationship tensions
- Mental and physical health problems
- Fuel poverty
- Debt
- Disengagement with the system

A small body of evidence is emerging to suggest that, as well as exacerbating the problems homeless people face, **sanctions may increase the risk of homelessness**. Principally this is because claimants cut back on housing costs (rent, board, service charges) or fail to reclaim Housing Benefit when a sanction is imposed, accruing arrears and risking eviction. This must be placed within the context of the raft of other reforms recently or currently being implemented that are increasing housing insecurity and reducing incomes, particularly for the poorest people and communities.

Next steps

In an effort to generate robust evidence about benefit sanctions and homelessness Crisis has commissioned the Centre for Regional Economic and Social Research at Sheffield Hallam University to conduct a research study over the next 12 months. The study will explore homeless people's experience of the benefit system and of being sanctioned, testing the policy assumptions underpinning the current regime so that clear recommendations can be made to ensure the fairness of the system as it is applied to homeless people. It will consider the effectiveness of sanctions in supporting homeless people into work, and consider alternative approaches to delivering welfare and labour market support.

1. Introduction

A new, harsher system of welfare conditionality and sanctions was introduced in 2012 and there has been increasing concern in the homelessness sector about the impact on homeless people. Evidence is beginning to emerge that homeless people may be disproportionately affected by sanctions, and that the conditionality, and sanctions for failure to comply, are not being fairly and appropriately applied.

It is difficult, at present, to assess these claims and concerns robustly: the official sanctions statistics say nothing about claimants' housing situations and so the numbers of homeless people who are sanctioned is not known. Nor is there much evidence about homeless peoples' experience of being sanctioned, or of the potential impact of sanctions on homelessness.

In an effort to generate robust evidence and understanding on these issues so that clear recommendations can be made to ensure the fairness of the system as it is applied to homeless people, Crisis has commissioned the Centre for Regional Economic and Social Research at Sheffield Hallam University to conduct a research study to take place over the next 12 months.

This scoping paper is the first output from the study. It reviews the evidence, scant as it is, on benefit sanctions and homelessness, providing detailed analysis of official sanctions data and drawing on research and policy evidence. It also details the policy context, setting out the stated aims of the conditionality and sanctions regime. Mainly, this paper serves to draw attention to the vast gap in understanding, but it does show that existing evidence raises serious questions about the appropriateness, effectiveness, and consequences of benefit sanctions for homeless people.

2. Welfare conditionality: The “something for something” welfare state¹

Conditionality, backed by sanctions, has been a feature of the British social security system since the late 1980’s but intensified with the introduction of JSA in 1996 and the New Labour Governments of 1997-2010 which placed conditionality at the heart of their welfare reforms. This approach was advanced further by the present Coalition Government which is in the process of implementing the harshest regime of conditionality in the history of the British benefit system. As Esther McVey, Minister of State for Employment explained in 2013, “we are ending the something for nothing culture.”²

The blueprint for the current regime can be traced to a series of (Labour) Government-commissioned reviews and Green and White Papers published 2006-2008:

- With a ‘rights and responsibilities’ agenda prominent, the 2006 Green Paper, **A New Deal for Welfare: Empowering people to work (2006)**³ made the case for welfare reform on the basis that the existing system encouraged ‘*the poverty trap of benefit dependency*’ (p.2). It focused on Incapacity Benefit claimants, lone parents and older people and set out an aspiration to achieve an employment rate of 80 per cent.
- In 2007 Lord Freud was tasked with making recommendations for taking forward ‘welfare to work’ policies. His report, **Reducing dependency, increasing opportunity: options for the future of welfare to work (2007)**,⁴ argued for increased engagement with and support for (and conditionality placed upon) those furthest from the labour market.
- The Freud report was quickly followed by **In work, better off: next steps to full employment (2007)**,⁵ a Green Paper setting out the Government’s plans for the next stages of welfare reform, again with an explicit focus on those furthest from the labour market.
- It was in 2008 that the Green Paper **No-one written off: reforming welfare to reward responsibility**⁶ firmly placed conditionality and responsibility at the heart of welfare policy. In return for personalised support, jobseekers would be required to intensify their job search activity and legislation was proposed to introduce tougher sanctions for those who failed to do so.
- An independent review by Professor Paul Gregg followed, setting out a vision for how the new conditionality regime could work in **Realising Potential: A Vision for Personalised Conditionality and Support (2008)**.⁷ DWP meanwhile, published an evidence review on the effectiveness of conditionality (DWP, 2008a).
- The new regime was consolidated in the White Paper, **Raising Expectations and increasing support: Reforming welfare for the future (2008b)**.⁸

1 DWP, 2008, p. 29

2 Quoted in a DWP press release, 6th November 2013: <https://www.gov.uk/government/news/benefit-sanctions-ending-the-something-for-nothing-culture>

3 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/272235/6730.pdf

4 <https://www.remploy.co.uk/files/freud-report-2007.pdf>

5 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/243257/7130.pdf

6 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/238741/7363.pdf

7 <http://www.tsoshop.co.uk/parliament/bookstore.asp?Action=Book&ProductId=9780101749923>

8 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/238683/7506.pdf

In 2010, the incoming Coalition Government pressed ahead with plans for welfare reform set in train by the previous administration, publishing a consultation paper, **21st Century Welfare**,⁹ in their first few months of office, followed by the White Paper, **Universal Credit: Welfare that Works**,¹⁰ which set out their ‘commitment to overhaul the benefit system to promote work and personal responsibility’ (p.2). The ‘overhaul’ included: simplifying the system by, amongst other changes, introducing a single integrated benefit (Universal Credit); making sure claimants would be better off in work than on benefits; and ‘a strong system of conditionality... in turn [...] supported by a new system of financial sanctions’ (p.28).

The White Paper also made explicit the need to reduce welfare expenditure as a driving force for change, a rationale not prominent in previous policy publications but, with a five year austerity programme announced in the same month, now highly pertinent. The deservedness of those on whom public money was spent was scrutinised far more closely now the country was facing the prospect of massive public sector funding cuts. Taxpayers’ money was a scarce resource and the Secretary of State for Work and Pensions has since been keen to point out that ‘Taxpayers paid a financial cost for rising welfare payments.’¹¹ Now, more than ever before, benefits claimants were invested with responsibility - to themselves but also to the taxpayer - to prove they deserved state support by doing all they could to seek, find, and take up employment. Articulated in terms of ‘ensuring fairness for the taxpayers who fund it [welfare]’, it was deemed only fair that those who failed to do so would lose their entitlement to support.

In March 2012, strengthened conditionality and the harsher sanctions regime were

enshrined in law when the **Welfare Reform Act 2012** received royal assent. The new rules applied to Job Seekers Allowance (JSA) claimants from October 2012 and Employment Support Allowance (ESA) claimants from December 2012.

2.1 Overview of the new sanctions regime

A sanctions system was already in place as part of the JSA system introduced in 1996, and the ESA system introduced in October 2008 but the Welfare Reform Act 2012 introduced a far harsher system. Most notable of the changes is the **increased severity and length of sanctions** (see Table 2.1), comprised of:

- The **introduction of three categories of sanction (higher, intermediate and lower)** depending on the nature of the ‘offence’. Intermediate and higher sanctions apply to JSA claimants only while lower level sanctions apply to both JSA and ESA claimants
- The **introduction of different levels of sanctions for first, second, and third offences** with the penalty increasing with each subsequent sanction
- A **marked increase in the severity of sanctions** which, for JSA claimants, can now be imposed for between four and 13 weeks for the first failure and up to three years for the third sanction. ESA claimants receive an open-ended sanction followed by a fixed period sanction (of one week for the first failure, two weeks for a second failure, and four weeks for a third and subsequent failure in a 52-week period) when they re-comply.

9 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181139/21st-century-welfare_1_.pdf

10 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181145/universal-credit-full-document.pdf

11 In a speech on 7 April 2014, Hosted by Business for Britain at Pimlico Plumbers, London: <https://www.gov.uk/government/speeches/jobs-and-welfare-reform-getting-britain-working>

The conditionality requirements placed on claimants have also increased.

The 'Claimant Commitment' has been introduced, which sets out a series of specific requirements placed on a claimant in return for receipt of benefit. Requirements must be *'reasonable, designed to help the claimant move into work, and reflecting the claimant's particular capability and circumstances'*. (DWP, 2014c: 6). In July 2013 new rules were introduced giving Jobcentre Plus advisors **discretionary power to exempt homeless claimants** found to be in a 'domestic emergency', for up to four weeks, from requirements to be available for work, actively seeking work, or to participate in the Work Programme, providing they are taking reasonable action to find accommodation.¹² It is not clear, however, whether such discretion is being exercised on the front line.

If a claimant breaches their conditions without good reason - for example if they do not apply for a specified number of jobs within a given period, fail to attend an advisor interview or a recommended training scheme, or are deemed not available for work for the requisite number of hours - they are referred to a 'decision-maker' who decides whether to apply a sanction. Claimants are informed of the decision by letter and, if they disagree, they can ask for reconsideration and then an appeal.

Claimants can apply for 'hardship payments' if they can show evidence that they are at risk of hardship, as defined in special rules, as a result of the sanction. Hardship payments are made at 60 per cent of the normal JSA rate. Vulnerable claimants and those with children, if considered eligible, can apply immediately while payment is made after 14 days for all other eligible claimants.

The operation of sanctions is causing serious concern amongst homeless organisations

who fear that homeless people are being disproportionately sanctioned, that the conditionality posed upon them is not realistic, that they face particular barriers to complying and that the consequences of sanctions are particularly severe for a population group already suffering hardship. These issues are explored further in subsequent chapters.

2.2 Key points

- In 2010, the incoming Coalition Government pressed ahead with plans set in train by the previous administration for a programme of welfare reform that placed conditionality and responsibility at the heart of welfare policy
- Strengthened conditionality and a harsher sanctions regime were enshrined in law in the *Welfare Reform Act 2012*
- Most notable of the changes is the enhanced requirements placed on claimants, and increased severity and length of sanctions. A claimant can have their benefit withdrawn for up to three years if they do not meet the stringent requirements placed upon them

3. Benefit Sanctions: Policy objectives and intentions

The narrative of ‘responsibility’ and support for increased conditionality has grown incrementally over the past decade (see Chapter 2), and a change of government in 2010 brought new policies and legislation, but the key messages have remained relatively constant. Premised on the same underlying values - that rights must be balanced by responsibilities; that no-one should get ‘something for nothing’ - successive governments have justified their programmes of welfare reform with reference to similar policy objectives. In particular, to support people back to work.

3.1 “The best welfare policy of all is work” (DWP, 2006, piv)

Motivated by the benefits of work to the individual, their family and future generations **the core, stated aim of welfare reform is to encourage (support, incentivise) more people into work.** Talking in 2014, the Secretary of State for Work and Pensions, Iain Duncan Smith, reiterated this position unequivocally:

*We drove a programme of welfare reform where every change was designed to get Britain back to work...In reforming a broken welfare system, I have had one overriding intention – to get Britain working again.*¹³

In addition to financial benefits, it is argued that work is good for physical and mental well-being (Freud, 2007),¹⁴ and it allows people to develop skills and new habits

which, in turn, promotes social inclusion (Gregg, 2008). Few take issue with this.¹⁵ However, ‘getting Britain working again’ is intended to do more than improve financial, mental and physical well-being. It will also, it is argued, **tackle the problems of benefit dependency and cultures of worklessness.** As Lord Freud, now Minister for Welfare Reform, stated in a speech in December 2011:

*“That’s what the welfare revolution is all about - that’s the final goal - to bring an end to long-term benefit dependency and begin a cultural transformation.”*¹⁶

Being in receipt of welfare benefits has become conflated with welfare dependency and the term ‘welfare dependency’ has distinct connotations in policy discourse. It is associated with ‘cultures of worklessness’ and presented as the necessary antithesis of self-reliance, responsibility and independence. As such, ‘welfare dependency’ becomes, implicitly, an individualised characteristic, a behavioural (cultural) failing.

In this context, imposing conditions on benefit claimants, and sanctioning those who fail to address their ‘dependency’ makes sense, and is easily justified. Conditionality, backed by sanctions, has become a key means through which to affect the behavioural change apparently required to increase labour market participation.

13 In a speech on 7 April 2014, Hosted by Business for Britain at Pimlico Plumbers, London <https://www.gov.uk/government/speeches/jobs-and-welfare-reform-getting-britain-working>

14 See also a speech by Lord Freud on housing and welfare reform, June 22nd 2011: <https://www.gov.uk/government/speeches/housing-and-welfare-reform>

15 Although some do argue that, in certain - weak - labour markets, one person entering the labour market is very likely to simply displace someone else and so no additional benefits are achieved (Fothergill, 2010).

16 <https://www.gov.uk/government/speeches/the-welfare-revolution>

Table 2.1: Overview of previous and revised sanctions regime

Sanction Level	Applicable to	Description	Previous sanction regime	1st Failure	2nd Failure	3rd Failure
Higher	JSA claimants	Failure to comply with certain requirements	Variable 1 to 26 weeks except Mandatory Work Activity (MWA) fixed 13 weeks	13 weeks	26 weeks if within 52 weeks but not within two weeks of previous failures	156 weeks if within 52 weeks – but not within two weeks of a previous failure that resulted in 26 or 156 week sanction
Intermediate	JSA claimants	Failure to be available for or actively seeking work	Disentitlement, but no sanction	Disentitlement (plus sanction) totalling 4 weeks loss of benefit	Disentitlement (plus sanction) totalling 13 weeks loss of benefit If within 52 weeks – but not two weeks of previous entitlement ceasing*	
Lower	JSA claimants	Failure to attend/ participate in an advisor interview/ employment scheme	Fixed 1,2,4 or 26 weeks	4 weeks	13 weeks If within 52 weeks, but not two weeks of failure that resulted in a 4 or 13 week sanction	
	ESA claimants in the Work-Related Activity Group (WRAG)	Failure to attend/ participate in mandatory interviews or failure to undertaken work-related activity	Open-ended 50% of Work-Related Activity Component (WRAC) for first 4 weeks, then 100% WRAC	100% of the prescribed ESA amount open-ended until re-engagement followed by a fixed period of		
				1 week	2 weeks if within 52 weeks – but not two weeks – of previous failure	4 weeks if within 52 weeks – but not two weeks of previous failure which resulted in a 2 or 4 week sanction

*In the case of intermediate sanctions, resumption of benefit is dependent on reclaim by the claimant. This may take part at any time after the five 'waiting days'. The length of the sanction is adjusted according to the date of reclaim in order to ensure at least four or 13 weeks loss of benefit.

3.2 Sanctions “motivate claimants to take the necessary action to find work, and to ensure the system is fair to the taxpayer” (DWP, 2014c: 5)

The **Government rationale for the use of sanctions is that they are effective in changing behaviour.** In other words, the current sanctions system is not simply punitive. Rather, it is said to be critical in supporting the conditionality placed on benefit claimants that is, in turn, effective in reducing unemployment.

Sanctions, it is argued *‘are critical to incentivise benefit recipients to meet their responsibilities’* (DWP 2010b: 28), i.e. their responsibilities to seek and take up work, to be independent and self-reliant. The present Government has argued that conditionality is effective in reducing unemployment, changing behaviour, tackling benefit dependency, and that sanctions, coupled with support and a simplified benefit system, incentivise claimants to comply with the conditions placed upon them.

The sanctions regime is premised on the assumption that every claimant subject to conditionality is able to comply with the conditions imposed upon them. And, indeed, the system has been designed so that *“requirements will be set according to individual capability and circumstance”* (DWP 2010b: 24) and sanctions should only be applied if a claimant fails to comply ‘without good reason’. If a sanction is imposed, then, it is because the claimant *did not* comply, rather than because they *could not* comply, as the following policy statements make clear:

“That is why we are developing sanctions for those who refuse to play by the rules.” (Speech by Iain Duncan Smith at the launch of ‘Universal Credit, Welfare that works’, November 11th 2010, London)¹⁷

“We always make the rules very clear – it’s only right that there is a penalty if people fail to play by them.”

(Esther McVey, quoted in a DWP Press release, November 6th 2013)¹⁸

But an independent review of certain aspects of the sanctions regime and the Work and Pensions Committee scrutinised the sanctions system in 2014 and found it lacking (Oakley, 2014; House of Commons Select Committee, 2014). The evidence gathered for these enquiries raised questions about: the implementation and effectiveness of sanctions; whether the rules really are made very clear; whether the conditions imposed are appropriate to capability and circumstance as they should be; and whether a reason for non-compliance is ever deemed good enough to avoid a sanction. The Select Committee recommended a second independent review with a wider remit than the Oakley review, so the *effectiveness* of sanctions could be assessed. The evidence presented had not convinced the Committee that sanctions worked.

¹⁷ <https://www.gov.uk/government/speeches/universal-credit-welfare-that-works>

¹⁸ <https://www.gov.uk/government/news/benefit-sanctions-ending-the-something-for-nothing-culture>

3.3 Key points

- The narrative of ‘responsibility’ and support for increased conditionality has grown incrementally over the past decade but the key messages have remained constant, namely that rights must be balanced by responsibilities and no-one should get ‘something for nothing’.
- The core, stated aim of welfare reform is to encourage more people into work, tackling the problems of ‘benefit dependency’ and ‘cultures of worklessness’.
- Government rationale for the use of sanctions is that they are effective in changing behaviour, and incentivise claimants to meet their responsibilities to seek and take up work.
- However, when scrutinised, the sanctions regime has been criticised with questions raised about the implementation and effectiveness of sanctions.

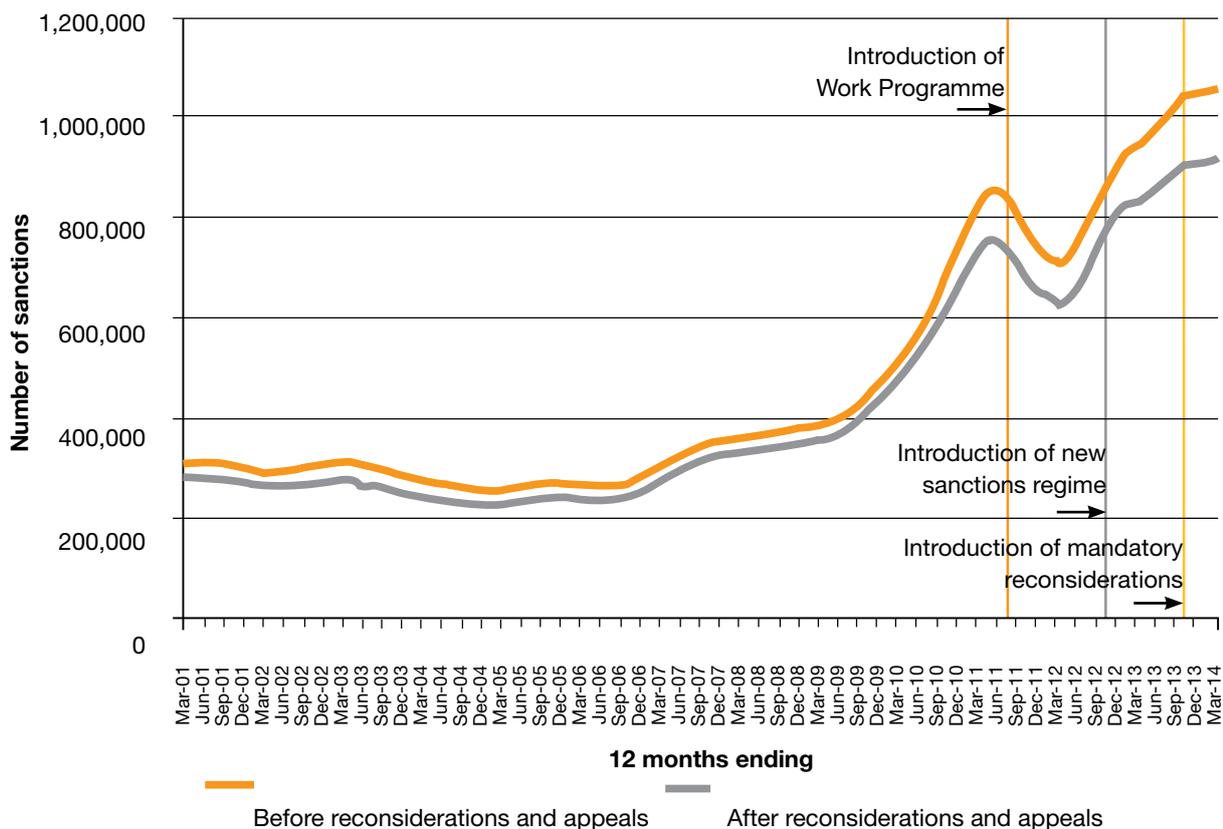
4. Trends in sanctions

This chapter presents analysis of the official sanctions statistics as applied to all Job Seekers Allowance (JSA) and Employment Support Allowance (ESA) claimants.¹⁹ JSA and ESA claimants are treated separately, given the differences in conditionality applied to these two groups. JSA sanctions account for the vast majority (97 per cent)²⁰ of all sanctions imposed.

4.1 Numbers of sanctions

In the past 13 years, 6.1m sanctions have been applied to JSA claimants in Great Britain, after successful reconsiderations and appeals. Ten per cent of original decisions were subsequently overturned and so the total number of sanctions initially applied over the period was 6.8m.

Figure 4.1: Number of JSA claimants sanctioned in GB: 12 month moving average

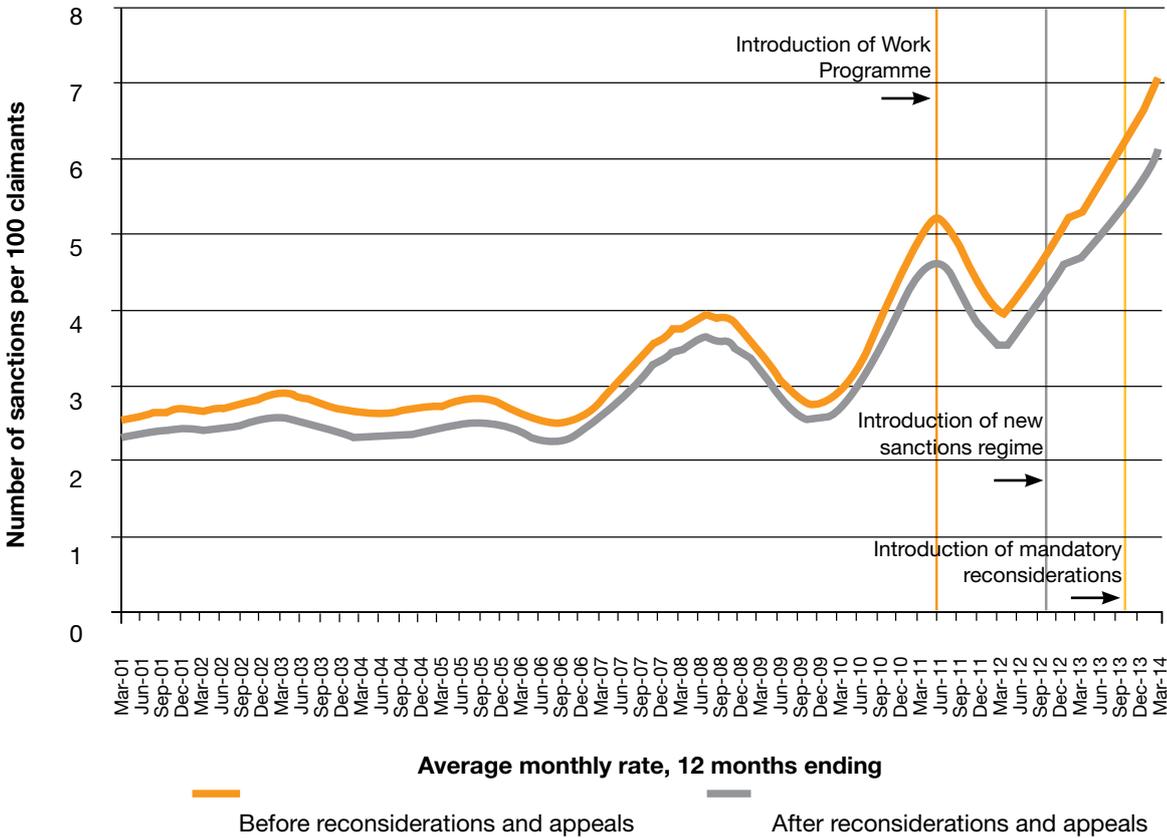


Source: DWP Stat-Xplore

¹⁹ The profile of homeless people, in terms of benefits claimed, is not known. We do not know, for example, how many are in receipt of benefits and, amongst those who are, what proportion claim JSA and what proportion claim ESA.

²⁰ Since December 2012 when the harsher ESA WRAG sanction regime was introduced.

Figure 4.2: Proportion of JSA claimants sanctioned per month, GB: 12 month moving average



Source: DWP Stat-xplore

However, these 6.8m sanctions were not applied evenly over the period. Figures 4.1²¹ and 4.2²² show clearly that the sanction rate has increased significantly. For example, the number of sanctions per 100 claimants per month has almost tripled, from 2.5 sanctions per 100 claimants per month in the year ending March 2001 to seven per 100 claimants per month in the year ending March 2014 (see Figure 4.2).

In particular, there has been a steady upward

trend in the number of sanctions applied and the proportion of claimants sanctioned since the introduction of the new regime in 2012. The average monthly number of sanctions applied before reconsiderations and appeals has risen dramatically from 35,500 a month up to October 2012, to 84,800 after this date (see Table 4.1). The percentage of decisions being overturned after reconsideration or appeals has also risen, from ten to 13 per cent over the two periods.²³ It is important to note that many sanctions go unchallenged:

21 A 12 month moving average up to the month shown is used to smooth monthly fluctuations in the time series.

22 Annualised rates are used to smooth monthly fluctuations.

23 The mandatory reconsiderations process was introduced from October 2013. This means claimant cannot go straight to Appeal at Tribunal but has to make an informal appeal to DWP first. These mandatory reconsiderations are currently recorded on a separate administrative system. Therefore Stat-Xplore data do not include cases where these decisions are overturned from December 2013 to March 2014. This will mean monthly figures for sanctions after reconsiderations will be slightly overestimated for this period. By using annualised figures this minimises the effect on the figures.

Table 4.1: JSA Sanctions, Great Britain, April 2000- March 2014

	Total JSA Sanctions		Average monthly JSA Sanctions		
	Before reconsiderations and appeals	After reconsiderations and appeals	Before reconsiderations and appeals	After reconsiderations and appeals	% upheld
Whole period April 2000 to Mar 2014	6,799,000	6,097,000	40,500	36,300	90%
Pre new system April 2000 to Oct 2012	5,357,000	4,842,000	35,500	32,100	90%
Post new system Nov 2012 to Mar 2014	1,442,000	1,255,000	84,800	73,800	87%

Source: DWP Stat-Xplore

only around one third of sanctioned claimants make any sort of appeal.

The expectations placed on those claiming sickness-related out-of-work benefits are different to those claiming JSA, as it is acknowledged that claimants are unable to work due to the severity of their health problems. However, the Employment and Support Allowance, introduced in October 2008, imposed an element of conditionality on those who are placed within the Work-Related Activity Group (WRAG).²⁴ The expectations for ESA WRAG claimants include attending and participating in mandatory interviews or taking part in Work-Related Activity that helps them to prepare to return to work.

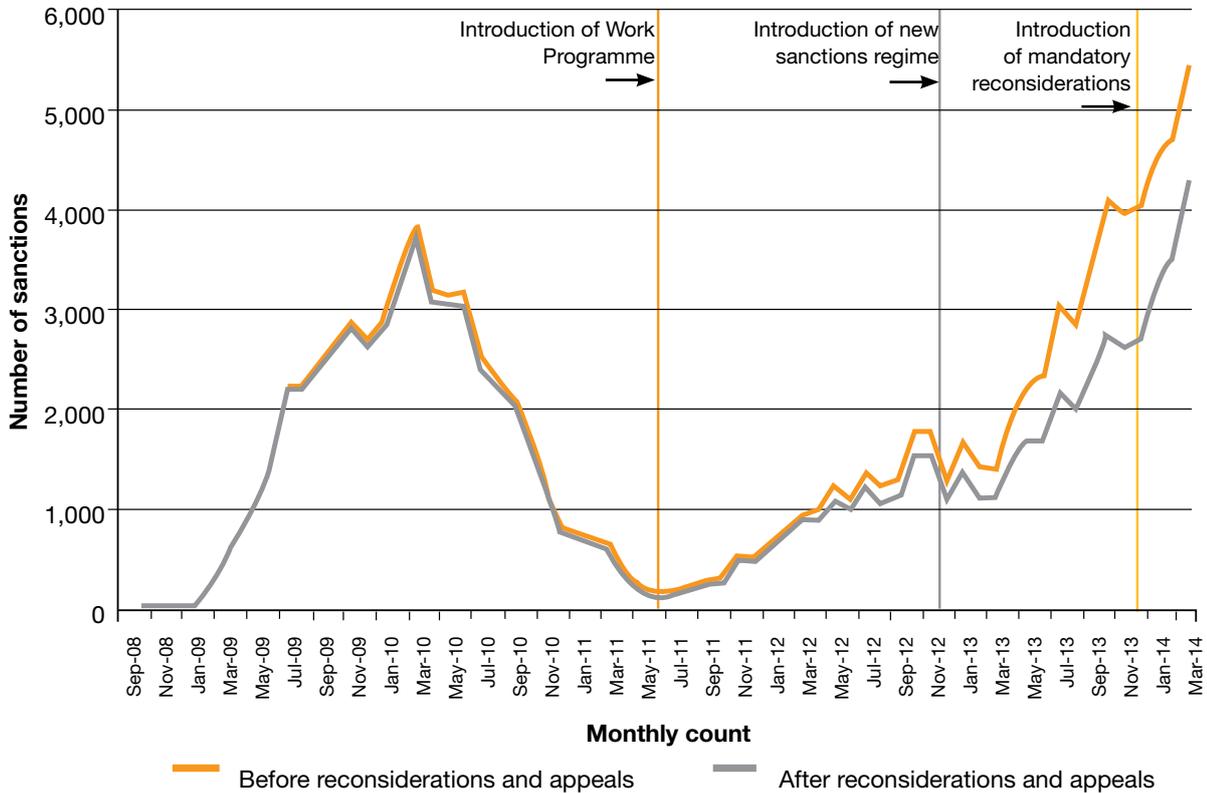
ESA covers claimants with mental health issues and drug and alcohol dependency, so these changes may have a particularly

marked impact within the homeless community. Currently half of all ESA WRAG claimants have a main diagnosis of mental and behavioural disorder and this proportion has been steadily increasing.

Since the introduction of ESA in 2008, 115,300 sanctions have been applied to ESA claimants, of which 99,200 (86 per cent) were upheld after reconsiderations and appeals. However, the use of sanctions on ESA claimants has risen sharply over time. In particular, the introduction of the tougher regime for ESA claimants in December 2012 marked a sharp rise in the number of sanctions. In the year to March 2013, a total of 16,400 ESA sanctions had been applied (before reconsiderations and appeals) but this figure had risen to 42,200 ESA sanctions, by March 2014 (35,600 after reconsiderations and appeals). Monthly figures further highlight the rapid increase in ESA sanctions,

24 Those with the severest of health problems are placed in the Support Group and are not subject to any conditionality.

Figure 4.3: Monthly ESA sanctions, Great Britain, 2008-2014



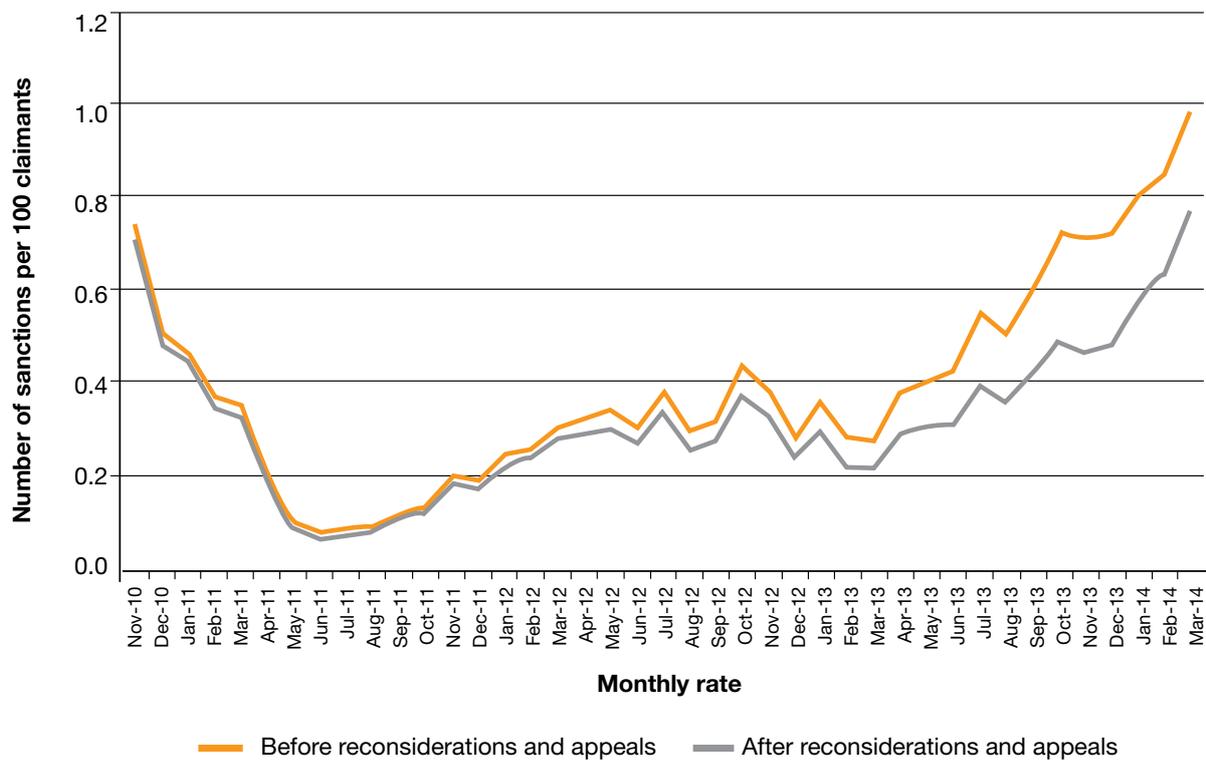
Source: DWP Stat-Xplore

with nearly a four-fold increase (before reconsiderations and appeals) from 1,400 in March 2013 to 5,400 in March 2014 (see Figure 4.3). This represents 1 sanction per 100 ESA claimants in the WRAG - lower than the rate of sanctions for JSA claimants, but still signifying a tripling in the rate of 0.3 sanctions per 100 claimants observed in March 2013 (Figure 4.4).

This marked increase in ESA sanctions occurred soon after the new sanctions regime was introduced. Webster (2014a) notes that

the increase in sanctions is unlikely to be related to the number of referrals of ESA claimants to the Work Programme, as these had fallen from 11,000 a month in December 2012 to less than 5,000 a month in March 2014. Some commentators²⁵ have suggested that this increase in sanctions is partly driven by the higher number of claimants with mental health issues, who form an increasing proportion of ESA WRAG claimants being targeted by sanctions.

Figure 4.4: ESA sanctions as a proportion of all WRAG claimants, Great Britain, 2010 to 2014



Source: DWP Stat-Xplore

4.2 Key points

- 6.8 million sanctions have been applied to JSA claimants in the past 13 years and 120,800 sanctions have been applied to ESA claimants since the introduction of ESA in 2008.
- The sanction rate has increased dramatically over this period. For example, the number of JSA sanctions per 100 claimants per month has almost tripled since 2001 (from 2.5 to seven sanctions per 100 claimants per month).
- There was a three-fold increase in the number of ESA sanctions per month between March 2013 and March 2014.

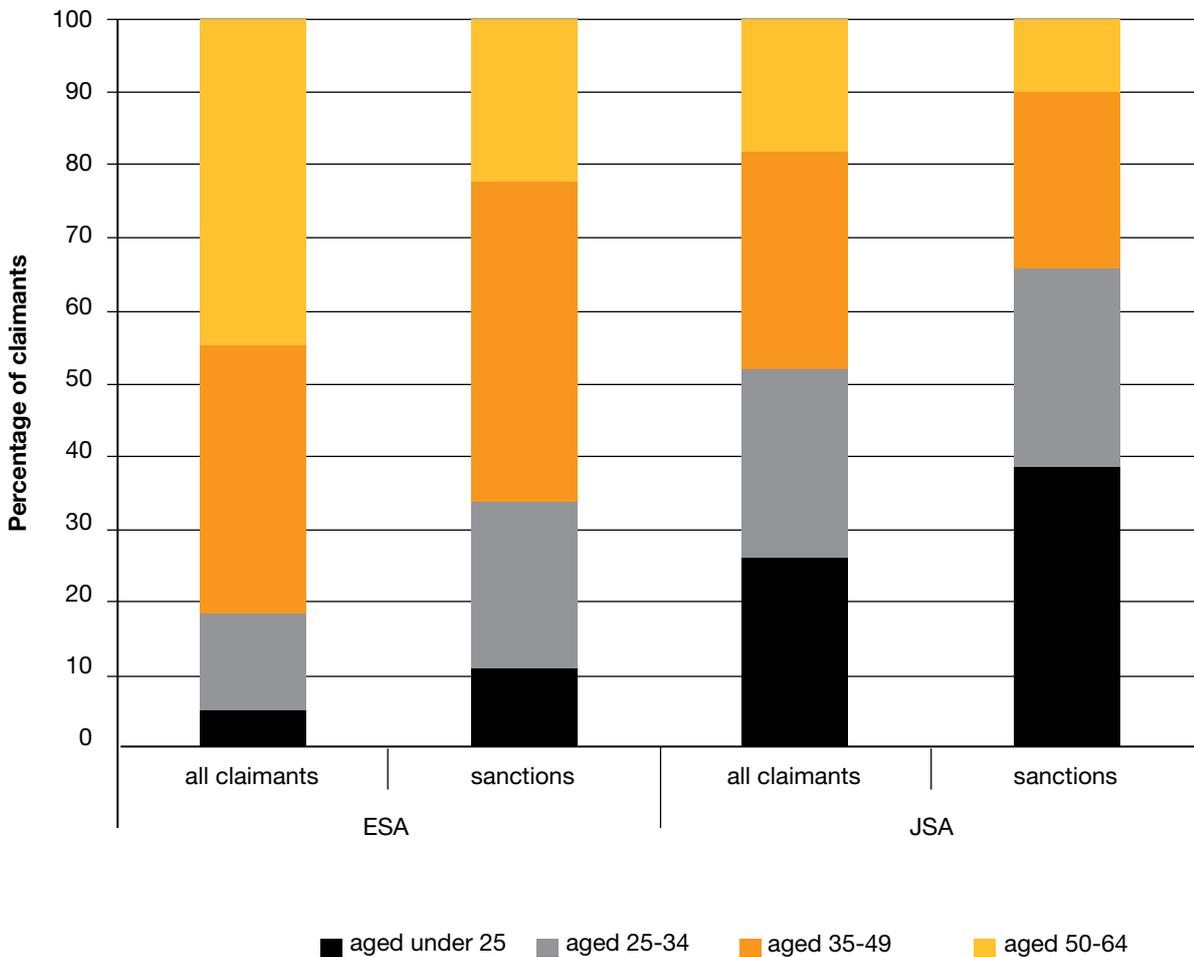
5. Sanctions applied to homeless claimants

The increase in sanctions for JSA and ESA claimants discussed in the previous chapter reflects the increasing requirements of conditionality. Unfortunately, no information is held on the system about claimants' housing situation that permits assessment of the proportion of people sanctioned who are homeless. Nevertheless, in this chapter we draw what insights we can to offer tentative suggestions about the extent to which homeless people are being sanctioned.

5.1 Insights from the 2011 census

Young adults account for the largest proportion of JSA claimants sanctioned (Figure 5.1) with two thirds of all sanctions being applied to claimants under the age of 35. In the year to March 2014, 39 per cent of sanctions before reconsiderations and appeals (408,200) were given to 18-24 year olds and a further 27 per cent to claimants aged 25-34. ESA sanctions are less skewed towards the younger age groups: just 11 per

Figure 5.1: Age profile of claimants and sanctions for ESA and JSA, Great Britain, 2013/2014



Source: DWP Stat-Xplore, NOMIS

Table 5.1: Sanctions as a proportion of claimants by age group, GB, 2013/14

Age	JSA sanctions per 100 claimants per month		ESA Sanctions per 100 claimants per month
	Before reconsiderations and appeals	After reconsiderations and appeals	Before reconsiderations and appeals
Under 18	3.0	2.9	0
18 to 24	10.6	9.6	3.3
25 to 34	7.3	6.3	2.8
35 to 44	5.8	4.8	2.1
45 to 49	5.0	4.1	1.5
50 to 54	4.4	3.7	1.2
55 to 59	3.9	3.3	0.7
60 to 64	3.5	2.9	0.4
Total	7.0	6.1	1.6

cent were applied to 18-24 year olds (Figure 5.1) and a further 24 per cent to claimants aged 25-34, partly reflecting the older age profile of ESA WRAG claimants generally. Nevertheless, both ESA and JSA claimants under the age of 25 are *disproportionately* affected by sanctions, as Figure 5.1 shows.

Table 5.1 further underlines the differential impact of sanctions by age group. It shows, for example, that the sanction rate for 18-24 year olds in 2013/14 was more than double the rate for 45-49 year olds and triple the rate for over 60s for both JSA and ESA claimants.

So, how does the age profile of claimants who have been sanctioned compare with what is known about people living in homeless shelters or hostels? The 2011 census enumerated 22,790 residents in such communal establishments in March 2011. The overwhelming majority were of working age and had a very young age profile with

44 per cent being under the age of 25. As there is a higher rate of sanctions against claimants in this age group, claimants living in homeless shelters and hostels are likely to be disproportionately affected by sanctions (see Table 5.2).

It is also possible to compare the gender profile of people living in homeless shelters or hostels with both JSA claimants as a whole and claimants who have been sanctioned (Table 5.3). In 2013/14 nearly three quarters (72%, 764,000) of all JSA sanctions were applied to men, and 669,000 of these sanctions were upheld after appeals and reconsiderations. The table also shows that male claimants are disproportionately affected by sanctions when set against the gender profile of JSA claimants as a whole.

In the year ending March 2014 the average monthly sanction rate for men was 7.9 sanctions per 100 JSA claimants, compared

Table 5.2: Age profile of residents in homeless shelters or hostels, JSA claimants and those with JSA sanctions, Great Britain

	Residents in homeless shelters or hostels 2011		JSA claimants 2013/2014	
	Number	Percentage	Sanctions only	All
Age 16 to 24	9,550	44%	39%	26%
Age 25 to 34	4,430	20%	27%	26%
Age 35 to 49	5,560	25%	24%	30%
Age 50 to 64	2,270	10%	10%	18%
Total 16-24	21,810	100%	100%	100%

Source: DWP Stat-Xplore, 2011 census

Table 5.3: Gender profile of JSA claimants, sanctions (before reconsiderations and appeals) and the homeless, Great Britain

	Percentage of JSA sanctions 2013/2014	Percentage of all JSA claimants 2013/2014	Percentage of residents in homeless shelters or hostels 2011
Male	72	65	69
Female	28	35	31
Total	100	100	100

Source: DWP Stat-Xplore

with 5.5 for women (Table 5.4). Given the slightly higher ratio of male to female residents living in homeless hostels or shelters compared to all JSA claimants, there is therefore likely to be a higher number of sanctions amongst the homeless population living in hostels or shelters - by virtue of age and gender - before other factors are taken into account.

The gender profile is more evenly balanced for ESA WRAG claimants than for JSA claimants, and very similar to the WRAG as a whole - a rate of 1.6 sanctions per 100 claimants for both male and female ESA WRAG claimants in March 2014.

Table 5.4: JSA sanctions as a proportion of claimants by gender, GB, 2013/14

	JSA sanctions per 100 claimants	
	Before reconsiderations and appeals	After reconsiderations and appeals
Male	7.9	6.9
Female	5.5	4.7
Total	7.0	6.1

Source: DWP Stat-Xplore

5.2 Insights from other evidence

The limited available research evidence lends support to the results of the analysis so far, suggesting that homeless claimants may be disproportionately sanctioned. Overall, more than six per cent of JSA claimants and 1.6 per cent of ESA claimants are sanctioned each month (see above) but a recent Homeless Link study suggests that sanction rates amongst homeless claimants may be much higher, affecting one third of homeless people claiming JSA and nearly one in five claiming ESA over a three month period (Homeless Link, 2013). Homeless Link also reported that the number of homeless people sanctioned had increased since the introduction of the new regime in 2012. These figures, whilst chiming with growing anecdotal evidence in the homelessness sector, must be treated with caution.²⁶ As the only available evidence on the number of homeless people who face sanctions, however, it is frequently cited to justify claims that homeless people are disproportionately and unfairly sanctioned.

Other studies refer to ‘vulnerable groups’ being at increased risk of sanctions but

whether this includes homeless people is not always clear. Scottish Government analysis (Scottish Government, 2013), for example, concluded that sanctions tend to affect the most vulnerable in society (they specifically mention young people, lone parents and disabled people) while evidence presented to the Scottish Parliament Welfare Reform Committee by Barnardo’s Scotland showed that 31 per cent of their service users had experienced sanctions (Scottish Parliament, 2014). Similarly, the recent independent review of JSA sanctions (Oakley, 2014), while not mentioning homeless people specifically, reported that many Jobcentre Plus advisors ‘identified a “vulnerable” group who tended to be sanctioned more than the others because they struggled to navigate the system’ (p.35).

There is a body of evidence, like that presented by Oakley and the Scottish Government, that points to increased risk of sanctions amongst people with characteristics likely to present barriers to ‘navigating the system’. For example:

- A systematic evidence review by Griggs and Evans in 2010,²⁷ pointed to a

²⁶ To derive their figures Homeless Link did not survey homeless people. Rather, they asked homeless organisations to provide information on the number of their clients they believe to have been sanctioned. The reliability of the responses cannot, therefore, be verified and how each organisation generated their estimate is not clear. This is not to say the figures are inaccurate, just that the methodology is not robust enough to ensure confidence in the results. It is also important to note that these figures are not comparable: the official statistics refer to a period of one month, while Homeless Link’s figures relate to a quarter.

²⁷ Prior to the changes to the sanctions system in 2012, and with an international reach.

correlation between higher sanction rates and ‘personal barriers’ such as substance misuse (Cherlin *et al.*, 2001; Mancuso and Lindler, 2001; Eardley *et al.*, 2005), domestic violence (Lee *et al.*, 2004; Polit *et al.*, 2001), ‘human capital deficits’ (lack of work experience and/or qualifications), and practical barriers to work, such as not having access to a car.

- A report by the House of Commons Work and Pensions Committee (2014), found that a lack of access to computers, poor computing skills, ill health, and language and literacy problems result in the system failing for some clients.
- Mitchell and Woodfield (2008) claim that sanctions are disproportionately experienced by more socially deprived or isolated or longer-term benefit recipients.
- Meyers *et al.* (2006) cite evidence from the USA showing claimants facing multiple barriers to work (lack of skills, low self-esteem) being sanctioned more frequently.

Homelessness is rarely mentioned specifically in these studies but we know from the extensive literature on single homelessness that these ‘personal barriers’ are commonly experienced by homeless people (Wallace and Quilgers, 2005; Crisis, 2006; NEF, 2008; Fitzpatrick *et al.*, 2013; Homeless Link, 2014; Johnsen and Watts, 2014).

Homeless people, then, may face a ‘double whammy’: disproportionately sanctioned by virtue of belonging to groups over-represented in the sanctions statistics (young, male), but also more likely to experience barriers to complying with the new conditionality regime and, therefore, more likely to be sanctioned. These issues are explored further in Chapter 7 but first we look at how sanctions vary by place, and consider any relationship with levels of homelessness.

5.3 Key points

- Robust data on the numbers of homeless people sanctioned do not exist, representing a critical evidence gap.
- Tentative insights that can be gleaned suggest that homeless people may be disproportionately affected by sanctions. They share some key characteristics with claimants most likely to be sanctioned (notably in terms of age and gender) but are also more likely to experience barriers to complying with the new conditionality regime (e.g. ill health, substance misuse, lack of work experience, and literacy issues).

6. Geography of sanctions

This Chapter examines how the outcomes of sanctions differ by place. First the census data for residents in homeless hostels and shelters is mapped, to highlight those geographical areas with concentrations of homeless people who may be vulnerable to the sanctions system.

There were 22,790 residents enumerated in homeless shelters or hostels on census night and 97 per cent were of working age (16-64). Figure 6.1 maps the number of residents in homeless hostels and shelters per 10,000 working age population for all districts in Great Britain.²⁸ As would be expected the districts with higher rates of homelessness tend to be the larger cities or urban areas where larger hostels are most commonly located. There are very low rates in large parts of more rural Britain, although this will reflect the lack of local hostel provision rather than the absence of homelessness. Many major cities and central London boroughs are among the fifty districts with the highest rates of people in homeless shelters or hostels (see Table 6.1). The list of districts with the highest rates of hostel residents per 10,000 working age population corresponds closely to the districts with the highest overall *numbers* of hostel/shelter residents.

Figure 6.2 shows the distribution of JSA sanctions in March 2014 relative to the stock of JSA claimants in each district in February 2014. The distribution of the areas with the highest sanction rates does not relate in a clear way to economic geography in terms of the relative strength of the labour market, the size of the district or its urban or rural

characteristics. This is confirmed by looking the prevailing claimant unemployment rate²⁹ in the 50 districts with the highest sanction rates (see Table 6.2): higher than average sanction rates are found in districts with both relatively low, and relatively high unemployment rates.

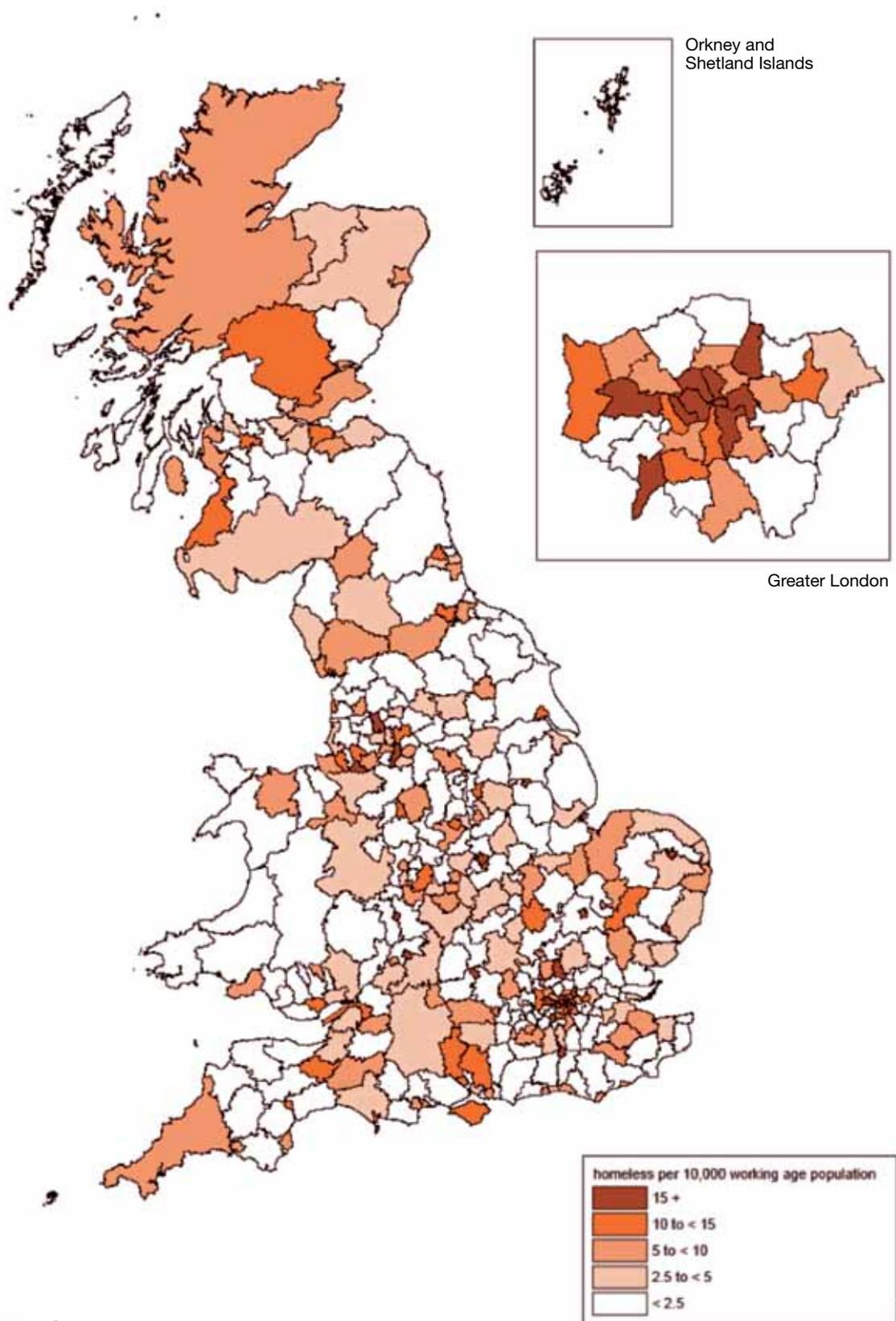
Geographical variations in sanction rates are perhaps more explicable in terms of the geography of Jobcentre Plus districts, and the areas that are more advanced in trialling and implementing Universal Credit and the Claimant Commitment. For example, the map of Greater London in Figure 6.2. shows a clear east-west split in terms of the proportion of sanctions handed out, reflecting the division of Work Programme providers into East and West London.

Exploratory correlations, then, show no notable relationship between unemployment rate and sanctions rate but nor do they show a relationship between those areas with the highest number of hostel residents and the sanctions rate. This is not too surprising, given the relatively small size of the hostel or shelter population compared to the overall number of claimants being sanctioned and it would be worth interrogating the data further to explore the possibility of such a relationship emerging at a more residential spatial scale, such as Lower Super Output Areas.

28 2011 census data are based on merged districts. Westminster is merged with City of London and Isles of Scilly is merged with Cornwall. The merged rate is presented in each relevant district. As the vast majority of all homeless residents of hostels and shelters were of working age and this has been used as the base for the rate.

29 When the Great Britain unemployment rate was 2.9 per cent.

Figure 6.1: Number of residents in homeless hostels or shelters per 10,000 working age population, 2011



Source: 2011 Census

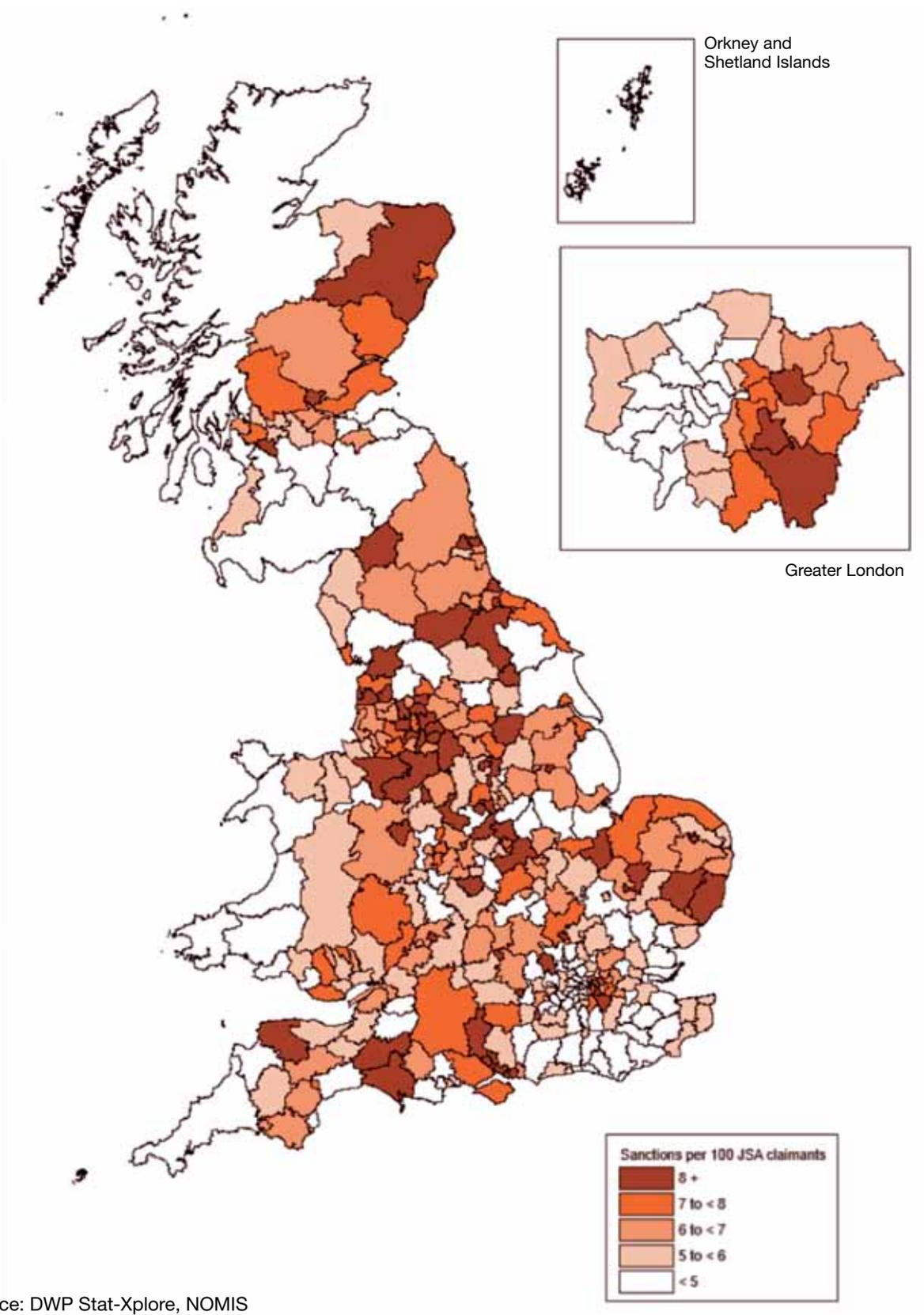
Table 6.1: Residents in homeless shelters or hostels per 10,000 working age adults, top 50 districts, 2011

	per 10,000 working age adults		per 10,000 working age adults
Ipswich	53.6	Merton	14.5
Westminster*	39.4	Cardiff	14.3
City of London*	39.4	Hammersmith and Fulham	13.8
Camden	28.6	Isle of Wight	13.6
Blackburn with Darwen	26.3	Bristol	13.5
Cambridge	23.2	Barking and Dagenham	13.5
Worcester	22.0	Bedford	13.2
Southwark	21.2	Oadby and Wigston	13.2
Tower Hamlets	20.0	Glasgow	13.0
Waltham Forest	19.9	Perth and Kinross	12.9
Kensington and Chelsea	19.7	Birmingham	12.6
Ealing	19.4	Exeter	12.5
Welwyn Hatfield	19.0	Winchester	12.4
Cheltenham	18.3	Taunton Deane	12.2
Oxford	18.2	Hillingdon	12.1
Kingston upon Thames	18.1	Newcastle upon Tyne	12.1
Manchester	17.1	Lambeth	11.7
Leicester	17.0	Kingston upon Hull	11.4
Halton	16.4	Liverpool	11.2
Islington	16.2	St. Helens	11.1
Norwich	15.4	Mansfield	10.9
Crawley	15.2	Derby	10.7
Lincoln	15.1	Rochdale	10.7
Darlington	14.8	St Edmundsbury	10.6
Test Valley	14.6	Great Britain	5.7
Blackpool	14.5		

Source: Census of Population and Mid-Year Population Estimates;

*Westminster and City of London census data based on a merged census district.

Figure 6.2: JSA sanctions per 100 JSA claimants, March 2014



Source: DWP Stat-Xplore, NOMIS

Table 6.2: JSA claimant and sanctions rates, March 2014

	JSA sanctions per 100 JSA claimants	JSA claimant rate*
Richmondshire	15.4	1.0
Test Valley	12.0	1.0
Southampton	11.9	2.4
Cheltenham	11.6	2.1
Fareham	11.6	1.1
High Peak	11.4	2.0
Tameside	11.2	3.4
West Dorset	11.2	0.9
East Staffordshire	11.2	1.9
Hambleton	10.9	1.2
Salford	10.7	3.7
Forest Heath	10.7	1.4
Oldham	10.6	3.3
Tamworth	10.5	1.8
Oxford	10.3	1.4
Manchester	10.2	4.3
Derby UA	10.1	3.4
Bromley	10.0	2.0
Aberdeenshire	10.0	0.8
Telford and Wrekin	9.8	3.1
Weymouth and Portland	9.8	2.6
Fylde	9.8	2.1
Bolsover	9.7	2.7
Cheshire West and Chester	9.7	2.3
Clackmannanshire	9.7	4.4

	JSA sanctions per 100 JSA claimants	JSA claimant rate*
York UA	9.6	1.6
Rushmoor	9.6	1.6
North West Leicestershire	9.6	1.9
Gosport	9.5	2.0
Erewash	9.5	2.7
Luton UA	9.4	3.3
Carlisle	9.4	2.3
Fenland	9.4	2.5
Chiltern	9.4	1.2
Eastleigh	9.4	1.2
Chesterfield	9.3	3.0
Rochdale	9.3	3.8
Portsmouth UA	9.2	2.7
Norwich	9.2	3.5
East Renfrewshire	9.1	1.7
Charnwood	9.1	1.4
South Somerset	9.1	1.3
Newcastle upon Tyne	9.0	4.0
Lewisham	9.0	3.7
Stoke-on-Trent UA	9.0	4.0
Lancaster	9.0	2.5
North Tyneside	9.0	3.5
Suffolk Coastal	8.9	1.1
Reading UA	8.9	2.2
Preston	8.8	2.8

* As a percentage of 16-64 resident population:
Source: DWP Stat-Xplore, NOMIS

6.1 Key points

- The distribution of JSA sanctions across Great Britain does not relate in a clear way to economic geography in terms of the relative strength of the labour market, the size of the district or its urban or rural characteristics. Higher than average sanction rates are found in areas with both relatively low, and relatively high unemployment rates.
- Geographical variations in sanctions may be more explicable in terms of geography of Jobcentre Plus districts, and the areas that are more advanced in trialling and implementing Universal Credit and the Claimant Commitment.
- Initial analysis shows no obvious correlation between sanction rates and levels of homelessness (as measured by the number of residents in hostels and shelters per 10,000 working age population) but analysis at a lower geographical scale would need to be conducted to confirm this.

7. Applying sanctions: 'appropriate to capability' or 'punitive and arbitrary'?

"Our evidence suggests that many claimants have been referred for a sanction inappropriately or in circumstances in which common sense would suggest that discretion should have been applied by JCP staff."

(Work and Pensions Select Committee, 2014, p.3)

The "punitive and arbitrary nature of the new sanctions regime, which appears to be creating a climate of fear around job centres rather than encouraging claimants back to work."

(The Scottish Parliament 2014, p.12)

As the above extracts indicate, implementation of the sanctions system has been harshly criticised. Examples and case studies abound of people who have been sanctioned unfairly - found in evidence presented to official committees, to those reviewing the system (such as Oakley in 2014), by MPs in House of Commons debates,³⁰ in the press and in research evidence. They include cases of claimants sanctioned for missing Jobcentre Plus (JCP) appointments because they were attending job interviews or were in hospital despite having informed JCP in advance. As the Scottish Parliament Welfare Committee report (2014) explained *"The committee has received a wealth of examples of cases where sanctions have been misapplied or where insufficient flexibility has been shown"* (p.13).

Even without this qualitative evidence, the fact that around half of all 'reconsidered' decisions are overturned and many JCP

advisor referrals for sanction do not result in an adverse decision strongly indicates that, on the front line, unfair and inappropriate decisions are being made. The geographical variation in sanction rates (see Chapter 6), indicates further that sanction rates are influenced more by local implementation, than the behaviours and actions of claimants.

7.1 Reasons for sanctions: official statistics

The two most common reasons why the 1,056,000 JSA claimants were sanctioned in 2013/14 were: failure to participate in the Work Programme; and not actively seeking employment (Table 7.1). These two factors accounted for two out of every three sanctions imposed. A further one in five claimants were sanctioned for failing to attend an advisor interview. Together these three reasons account for 84 per cent of all sanctions.³¹

The higher rate of cases where sanctions are overturned due to non-compliance with the Work Programme (19 per cent) indicates that many JSA claimants have been wrongly penalised through this route; 81 per cent of cases are upheld after reconsideration or appeal, compared to 92 per cent of cases where people failed to attend an advisor interview, and 89 per cent for both failure to participate in skills conditionality or work experience.

Taking account of reconsiderations and appeals and the higher level of sanctions being overturned due to non-participation in the Work Programme, **not actively seeking**

³⁰ See for example <http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm140403/debtext/140403-0002.htm#14040352000001>

³¹ The distribution of reasons for a sanction barely changes once reconsiderations and appeals are taken into account.

Table 7.1: Reasons for JSA sanction, Great Britain, 2013/14

Reason	Per cent of total sanctions before reconsiderations and appeals
Failure to participate in a scheme for assisting person to obtain employment without good reason - Work Programme	32
Not actively seeking employment	32
Failure to attend or failure to participate in an advisor interview without good reason	20
Left employment voluntarily without good reason	4
Refusal or failure to comply with a Jobseeker's Direction without good reason	3
Failure to participate in a scheme for assisting person to obtain employment without good reason - Skills Conditionality	2
Refusal or failure to apply for, or accept if offered, a job which an employment officer has informed him/her is vacant or about to become vacant without good reason	2
Losing employment through misconduct	2
Not being available for work	1
Failure to participate in Mandatory Work Activity without good reason	1

Source: DWP Stat-Xplore

work becomes the most prevalent reason for a sanction (34 per cent) amongst JSA claimants. There has been a rapid rise in the proportion of all sanctions issued (after reconsiderations and appeals)³² for failing to actively seek work. Between March 2001 and March 2006, not actively seeking work accounted for less than five per cent of all sanctions. It now accounts for around one in three of all sanctions imposed. Sanctions for this reason carry a greater penalty and are classified as intermediate level sanctions. Under this process, a claimant is disentitled to their claim and, if a new claim is made, a sanction of up to four weeks is imposed in the first instance.

Each subsequent sanction given for this reason will lead to disentanglement with a sanction of up to 13 weeks. This leads to a more complex reconsideration appeals system, as the claimant has to appeal against the disentanglement and the sanction. Disentanglement also has consequences for any Housing Benefit claim which will be stopped until a fresh claim is made.

There are three levels of sanction: low, intermediate and high (see Chapter 2 and Table 2.1 for further details). In 2013/14, over half of all JSA sanctions after reconsiderations and appeals were at the lower level (58 per cent) with a further third

32 Time series until October 2013 used due to non-recording of mandatory reconsiderations from December 2013 onwards.

at the intermediate level. Less than one in 10 sanctions were at the higher level, for reasons such as failure to participate in Mandatory Work Activity, or refusal to apply for, or accept, a job provided by an employment officer (see Figure 7.2). But this still equates to 90,000 higher level sanctions given for the year ending March 2014, and 71,000 of these remained after appeal.

Sanctions can only be applied to ESA claimants for two reasons: failing to attend a mandatory interview and failing to participate in work-related activity. In 2013/14, 87 per cent of ESA sanctions before reconsideration or appeal were due to the claimant not participating in a work-related activity. Figure

7.2 shows how the pattern of reasons has changed over time. Until June 2011, when the Work Programme was introduced, all ESA sanctions were for failing to attend a mandatory interview. It was not until after the Work Programme was introduced that work-related activity became mandatory and gradually accounted for an increasing proportion of sanctions. By January 2012, this had become the most common reason for applying ESA sanctions, and the proportion of sanctions given for this reason continued to increase. By March 2014 it accounted for 95 per cent of all sanctions amongst the ESA WRAG.

Figure 7.1: Level of JSA sanctions, Great Britain, 2013/14

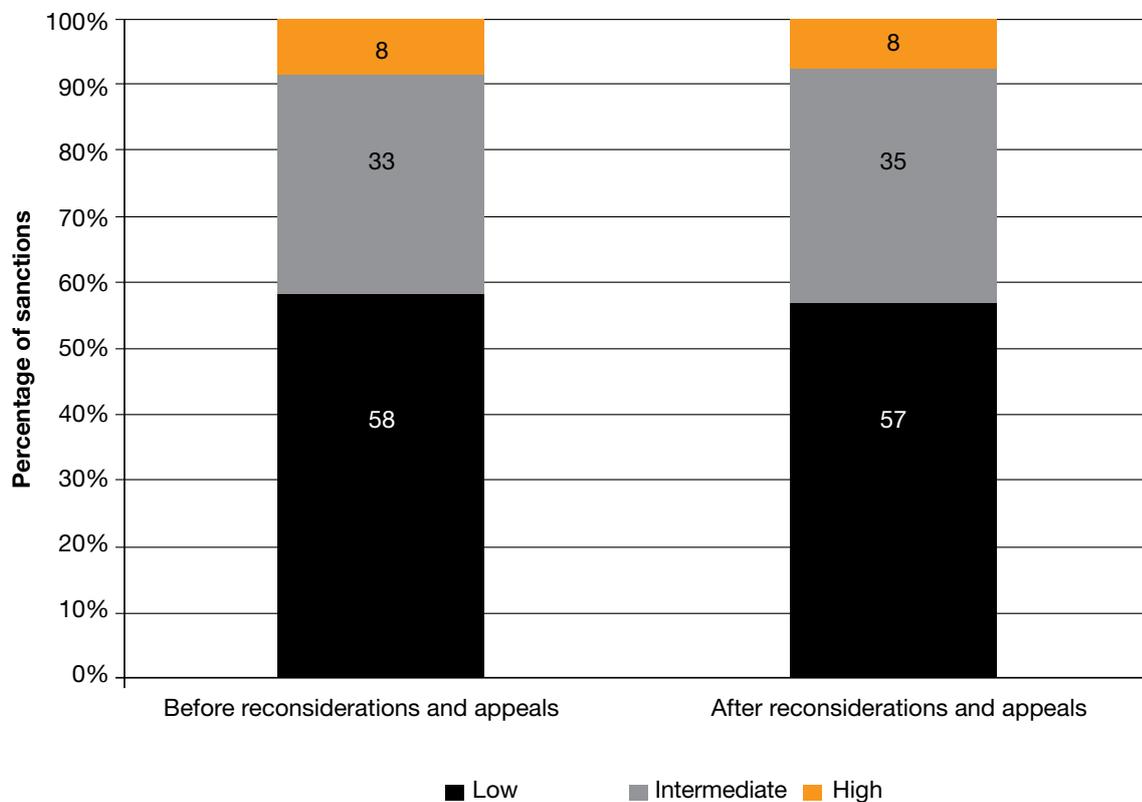
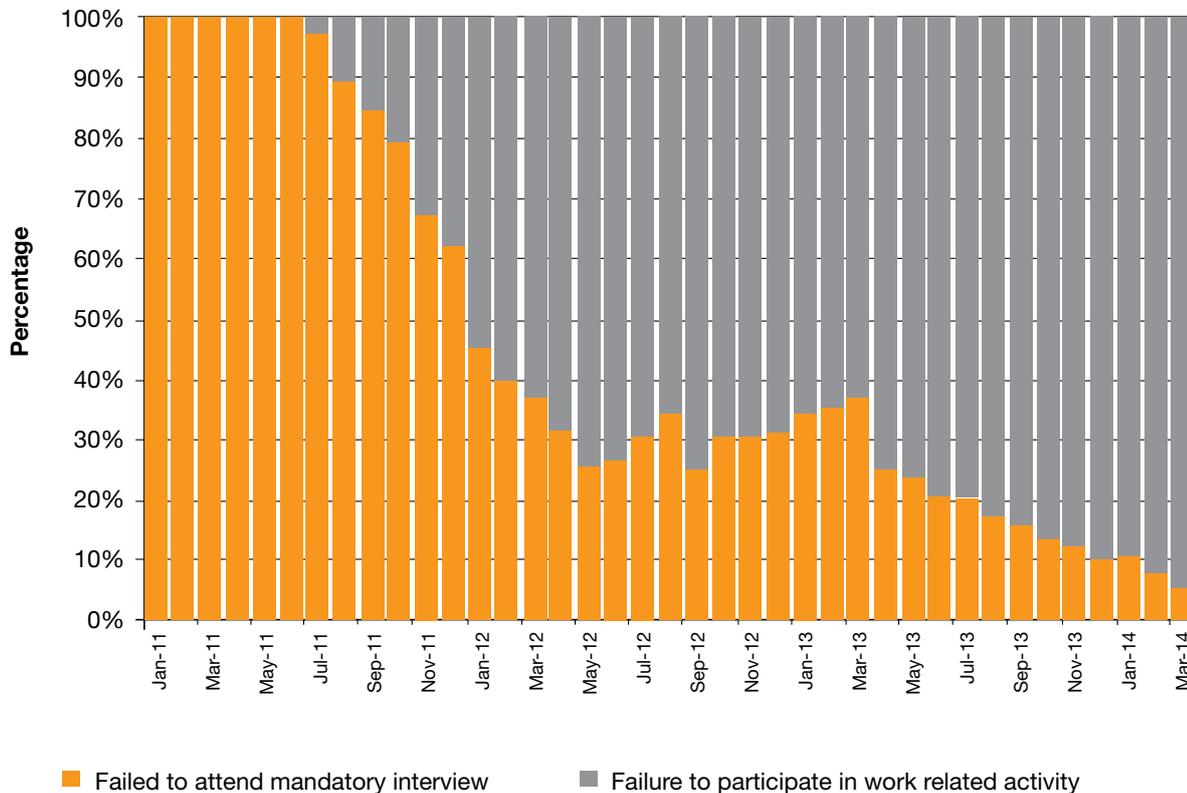


Figure 7.2: Reasons for ESA sanctions, Great Britain, 2011-2014



Source: DWP Stat-Xplore

7.2 Reasons for sanctions: barriers to complying with conditionality

As the extracts at the start of this chapter illustrate, significant concerns have been raised about the fairness of the sanctions system. Currently, homeless people are expected to meet the conditions of the benefits system the same as anyone else but the evidence raises questions about the extent to which homeless people are *able* to meet conditionality requirements given the barriers they face (including and in addition to their homelessness), and whether conditionality is being imposed according to capability as it should be. A key question here is whether the stricter regime has been implemented with sufficient attention to homeless claimants' capabilities to fulfil

conditions applied, or whether homeless people are disadvantaged from the outset by a system which does not recognise their vulnerability.

Communication, information, and navigating the system

Oakley (2014) emphasises the importance of communication and understanding to the integrity and operation of the benefits system. He argues that if claimants do not understand the system, and so are being sanctioned for a lack of understanding rather than intentional behaviour, they are likely to feel unfairly treated, disillusioned and lose trust in the system.

Yet evidence points to customer letters that are hard to understand '*even for those working in the area*' (Oakley, 2014: 36), with unclear and vague wording, partly

due to limited flexibility of IT systems in allowing the production of personalised letters (SSAC, 2013), a lack of personalised communications, with claimants' communication preferences not being routinely recorded and poor communication between the Department for Work and Pensions (DWP) and organisations that support DWP customers, such as Work Programme providers (SSAC, 2013; YMCA, 2014).

The Scottish Parliament go as far as saying *'it is clear from the evidence that we have received that poor communication by the Department for Work and Pensions is the biggest single weakness exhibited by the new sanctions regime'* (2014, p.15). Their report includes:

- Evidence from Citizens Advice Scotland that many of their clients do not know they have been sanctioned until they 'go to the bank and find they have no cash' (Scottish Parliament 2014, p.15), a fact supported by evidence from the YMCA (2014).
- Evidence from Barnado's Scotland pointing to the complexity of letters sent out, which are 'full of jargon' and difficult to understand.
- Evidence that DWP fail to take into account that many people on benefits have neither the access nor the necessary IT skills to utilise DWP's Universal Jobmatch facility or to carry out job searches online. This is supported by a Citizens Advice Scotland survey of Scottish Citizens Advice Bureaux benefit claimants which found that only 54 per cent had an internet connection at home and less than a quarter of respondents felt able to apply for jobs or benefits without help.

These problems are not new. Prior to the introduction of the new regime, communication issues were evident.

Accessibility and availability of information (NAO, 2005), and the low levels of awareness around sanctions (Dorsett, 2008) are particular problems highlighted, as well as reliance on telephone and the internet and letters for communication (SSAC, 2006). Mitchell and Woodfield (2008) found some claimants were unaware of having to attend an interview until they were sanctioned for non-attendance, having not received an initial contact letter, as well as considerable confusion among claimants around the wording of letters.

Such issues are likely to be compounded for people who are homeless. Homeless people, for example, are less likely to receive letters because they are more transitory, live in large hostels where letters frequently get lost, or are of no fixed abode (Homeless Link, 2013; Webster, 2014a). Further, homeless people are more likely to have complex needs, chaotic lifestyles, learning and literacy difficulties, and substance misuse issues, so understanding poorly articulated letters, and complying with extensive requirements set out in their Claimant Commitment could prove significant hurdles (Homeless Link, 2013). St Mungo's and Broadway, in evidence presented to the Oakley review, reported that 10 per cent of their clients are unable to read a letter without support and 33 per cent are unable to complete a form without support, and a recent study found that 60 per cent of homeless people have low or no qualifications (Homeless Link, St. Mungo's and Crisis, 2012). Faced with these support needs, the appeals process in particular is difficult to navigate (YMCA, 2014) although Peter's and Joyce note that even amongst the general JSA population few claimants appeal, given the lengthy applications and processes involved, the lack of support given, and the cost of phone calls/stamps/transportation needed to do so (Peter's and Joyce, 2006).

The reliance on telephones and IT for job searching, appeals, and general information about the benefits system and sanctions

process also leaves homeless people at a considerable disadvantage from the outset, with computer illiteracy prevalent (Cork Simon Community, 2012) and access to computers sometimes limited. The reliance by DWP on IT for key aspects of mandatory job search requirements coupled with the barriers faced by homeless people in accessing it raises the question of deepening social exclusion for an already marginalised group (Muggleton and Ruthven, 2012).

III health

According to Homeless Link (2013), homeless people are most commonly sanctioned for failing to attend a Jobcentre Plus advisory interview or failing to follow formal instruction to actively seek work. Failing to attend an interview results in a four-week sanction. Ill health and hospital appointments were principal reasons given for missed appointments (resulting in a sanction) with Jobcentre Plus.

Griggs and Evans (2010) also point to a range of US and UK studies (Cherlin *et al.*, 2001; Meyers *et al.*, 2006) which cite health problems and disability as the main barriers to participation in conditionality, leading to sanctioning. Health audit results in a study by Homeless Link (2014: 3) highlight the extent to which homeless people are experiencing 'some of the worst health problems in society', finding that homeless people face physical, mental and substance misuse issues at levels much higher than the general population. Health issues are caused and/or exacerbated by 'unhealthy lifestyles' (smoking, poor diet, and alcohol), 'not enough help', and inadequate housing. The proportion of homeless people with diagnosed mental health problems (45 per cent) is almost double that of the general population (25 per cent) and a third of the homeless respondents in the study reported high use of drugs and alcohol. Bauld *et al.* (2010) reviewed literature on alcohol misuse, employment and benefit uptake to find that clients with substance misuse issues encountered a number of challenges

in 'negotiating' the benefit system. Some studies note the failure of Jobcentre Plus advisors to pick up on these health barriers that are likely to affect participation from the beginning (Homeless Link, St. Mungo's and Crisis, 2012).

Documentation requirements

No provision is made in current sanctioning processes to account for the difficulties homeless people face surrounding safe storage and organisation of documentation, especially if the individual is sleeping rough (Burt *et al.*, 2012). A study by Crisis (2004) showed that homeless people are 47 times more likely to be victims of theft compared to the general public. Considering these factors, homeless people will likely experience considerable challenges in not just receiving but retaining Jobcentre Plus/DWP correspondence detailing key dates, times and venues for interviews and appointments.

7.3 Key points

- The most common reason for a sanction at present is failing to actively seek work (around one third of all JSA sanctions).
- Implementation of the sanctions system has been harshly criticised. Evidence suggests that communication is often poor, letters are difficult to understand, claimants are not informed of their sanction, and the system is criticised for failing to take account of claimants' limited access to the internet and IT skills.
- Examples and case studies abound of people who have been sanctioned unfairly. Around half of all 'reconsidered' decisions are overturned and many JCP advisor referrals for sanction do not result in an adverse decision, suggesting that, on the front line, unfair and inappropriate decisions are being made.
- Currently, homeless people are expected to meet the conditions of the benefits system the same as anyone else but the evidence raises questions about the extent to which homeless people are able to meet conditionality requirements given the barriers many face. This includes ill physical and mental health, learning and literacy difficulties, no fixed address to receive letters, and difficulties accessing safe storage for documentation.

8. The impact of sanctions on claimants

Commentators point to a range of potential negative outcomes resulting from sanctions. The Scottish Government, for example, suggested that:

“Negative outcomes over the long-term can include: debt and hardship; poor physical and mental health; negative impacts on the development and well-being of children affected by sanctions; a potential increase in crime; and sanctioned claimants increased likelihood to enter into informal work which is not seen as progression towards recognised employment.”

(Scottish Government, 2013: 1)

Benefits are a vital lifeline to help people make the transition out of homelessness. (Homeless Link, 2013) and there is much evidence to suggest that homeless people already disproportionately experience financial hardship and poor health, and that use of food banks is commonplace (see below). The withdrawal of benefit will have a detrimental impact on any claimant but for those already suffering hardship the consequences may be particularly severe. This section pinpoints a series of added hardships and set-backs experienced by claimants generally, and homeless people specifically, as a consequence of being sanctioned.

Food poverty: Food hardship amongst sanctioned claimants is found to be particularly pronounced (Vincent, 1998; Lee *et al.*, 2004; Oxfam and Church Action on Poverty, 2013; YMCA, 2014). Figures from the Trussell Trust show that *‘up to half of all people turning to food banks are doing so as a direct result of having benefit payments delayed, reduced or withdrawn altogether’* (Oxfam and Church Action on Poverty,

2013: 3) and research on the experience of sanctions amongst vulnerable young people found that 84 per cent had cut back on food as a result of being sanctioned (YMCA 2014). Homeless Link (2014) found similarly that many homeless people experience food poverty and rely on food banks while sanctioned as a quick-fix solution, although point out that some food banks limit support to emergency provision for three days only. Withdrawal of benefit due to sanction far exceeds this short timeframe. In addition, homeless people already experience food poverty without the withdrawal of benefits. Fitzpatrick *et al.* (2012) document these problems: 38 per cent of homeless respondents in their study had shoplifted to obtain food; 32 per cent had begged; and 10 per cent had obtained food by engaging in sex acts.

The situation can only deteriorate further if sanctioned. Anecdotal evidence references weight loss, ‘bin-diving’, under-eating and malnourishment (Webster, 2013; Head, 2014).

Survival crime: There is evidence that some sanctioned claimants turn to crime to get by. One study, plotting the relationship between benefit sanctions and crime rates prior to the new regime, found that areas with high sanctions rates correlated with areas of rising crime (Machin and Marie, 2006). In relation to homeless people 28 out of 45 organisations responding to the Homeless Link study (2013) reported that some clients had shoplifted or committed survival theft as a result of sanctions. Anecdotal evidence supports this further: *‘with nobody to turn to, and feeling like it was my only option, I pocketed a sandwich from a supermarket. I was arrested and fined £80’* (Head, 2014).

Family/relationship tensions: Whilst some homeless people lack support from family

and friends (Action for Children, 2014; Webster, 2013), those able to seek short-term financial support from family after being sanctioned are often placed in stressful situations. Homeless Link (2013) found that 43 out of the 44 services claimed that the homeless people accessing their services borrowed from friends or family in the first instance. Difficulty repaying family members leads to family problems, tension and arguments (Dorsett *et al.*, 2011) and can have a knock-on effect of debt and stress for the sanctioned claimant's family: *'My mum has been taken to court and fined for not being able to pay the shortfall in Council Tax and is struggling to pay the rent arrears accrued when I was sanctioned and the strain has quite literally smashed our family to pieces – I feel like a burden on her and have felt suicidal on more than one occasion'* (Greater Manchester CAB, 2013, p18).

Anxiety/health issues: Many studies point to detrimental effects of benefit sanctions on a person's health and well-being, including stress and anxiety stemming from financial hardship and spiralling debt, strained familial relations, and the fear of eviction and homelessness (Peters and Joyce, 2006; Mitchell and Woodfield, 2008; Goodwin, 2008; SSAC, 2012; YMCA, 2014), as well as feelings of anger, humiliation, depression, anxiety and loss of motivation (Molloy and Ritchie, 2000; Joyce *et al.*, 2006; Dorsett, 2008). A CAB study (2013) found that a number of sanctioned claimants had attempted suicide or felt suicidal. Impacts of sanctioning on health are found to be heightened for those with existing health problems, and we already know that long-term physical health problems, diagnosed mental health problems, and substance use issues are more prevalent amongst homeless people than the general population. One study, for example, found that customers with existing mental health conditions felt that sanctions had a 'significant' impact on their health: *'customers in this group tended to see the worry and anxiety produced by*

the sanction as making their condition more pronounced' (Mitchell and Woodfield, 2008: 80). Homeless Link (2013) found this to be the case amongst sanctioned homeless claimants with existing mental health and substance use issues too. Thirty eight out of the 45 organisations reported that clients experienced increased anxiety or depression when sanctioned.

Disengagement/loss of trust in the system: Far from achieving the desired intention of driving the 'right behaviour', evidence suggests that benefit sanctions do not motivate homeless people, or claimants more generally, back into work or to engage with Jobcentre Plus (Homeless Link, 2013). Rather, sanctions can make it more difficult to find work, to travel to interviews, and to buy suitable interview clothes, thus consolidating claimants' situations, rather than freeing them from disadvantage.

Further, a small body of evidence suggests that sanctions can *disincentivise* vulnerable claimants from engaging with the benefits system or finding work, and drive a greater rift between claimants and Jobcentre Plus (Griggs and Bennett, 2009; SSAC, 2012; Homeless Link, 2013; YMCA, 2014). Research by YMCA highlighted examples of young vulnerable people (some homeless) unable to seek work while sanctioned - *"it stopped me searching for work as I had no money to get to different employers"* (YMCA 2014: 7) - although they also found examples of sanctions incentivising claimants to comply and seek work, so the picture here is mixed. SSAC (2012) similarly found some claimants were de-motivated and alienated by the threat of sanctions. This report cites a study by Lane *et al.* (2011) showing how lone parents withdrew from active engagement with Jobcentre Plus after a sanction had been imposed. Loss of trust in advisors could have significant detrimental effects on the operation of the benefits system given that the relationships between advisors and claimants are seen as critical to the

effectiveness of ‘both conditionality and sanctions’ (SSAC, 2012: 16).

Fuel poverty: A number of studies found claimants unable to heat their homes as a result of sanctions. Unable to top up gas and electricity meters and, for those without pre-payment meters, struggling to pay utility bills, claimants are left without heat and risk debt and disconnection of services (Homeless Link, 2013; CAB, 2014)

This chapter has reviewed evidence about the impact of sanctions on those whose benefit is withdrawn. But there is also a question about whether benefit sanctions have consequences for levels of homelessness. In other words, to what extent do benefit sanctions increase a claimant’s risk of homelessness? We consider this question briefly in the next chapter.

8.1 Key points

- Benefits are a vital lifeline to help people make the transition out of homelessness. The withdrawal of benefits will have a detrimental impact on any claimant but for those already suffering hardship the consequences may be particularly severe.
- There is evidence of a range of negative outcomes associated with sanctions, including:
 - Food poverty
 - Survival crime
 - Mental and physical health problems
 - Debt
 - Fuel poverty
 - Disengagement with the system

9. The impact of sanctions on homelessness: Mapping the relationship between homelessness, benefit sanctions and wider reforms

A small body of evidence is emerging to suggest that, as well as exacerbating the problems homeless people face, sanctions may increase the *risk* of homelessness (Webster, 2013). Principally this is because claimants cut back on housing costs (rent, board, service charges) or fail to re-claim Housing Benefit when a sanction is imposed, accruing arrears and risking eviction.

9.1 Sanctions: increasing the risk of homelessness?

Evidence on the impact of sanctions on claimants' ability to meet their housing costs is limited, but does suggest that **people struggle to maintain rent payments whilst sanctioned**, in both settled and temporary accommodation. For example:

- Griggs and Evans (2010) point to Australian research suggesting that between 10 and 20 per cent of sanctioned claimants lose their accommodation or have to relocate into cheaper housing (Eardley *et al.*, 2005).
- A YMCA survey found that 81 per cent of respondents (vulnerable young people) cut back on housing costs as a result of being sanctioned (YMCA, 2014).
- Homeless Link research (2013) found that 23 out of 44 organisations reported that their clients had been evicted as a result of being sanctioned, and 44 out of 45 organisations reported that homeless people (in temporary accommodation) were falling into arrears. Respondents also

reported that sanctions were affecting their receipt of Housing Benefit from homeless clients, and reported an increase in their issue of evictions or notices to quit (22 out of the 39 organisations reported this).

Cases cited in the press and in research evidence include: *'I lost my flat as I was £1,000 in rent arrears and I had piles of outstanding bills'* (Head, 2014); *'because my Housing Benefit wasn't paid for 3 months and still hasn't been reinstated, I'm facing eviction and I'm a full-time carer to my adult son'* (CAB, 2013: 17); *'I have been kicked out of my mother's household due to being sanctioned and I'm now homeless'* (CAB, 2013: 19).

When a claimant is sanctioned only their JSA or ESA is withdrawn. Entitlement to Housing Benefit (HB) is not affected. However, when a sanction is applied this constitutes a change in circumstances and HB is automatically suspended until the claimant informs the HB department of their revised financial circumstances (referred to as a 'nil income claim').³³ Concerns have been voiced, and evidence presented that **when claimants' JSA or ESA is withdrawn, they frequently lose their HB** as well, having not been adequately informed of the procedure (Oakley, 2014; Webster, 2014a; Webster 2014b). Assuming that only their JSA/ESA is affected by the sanction, claimants can remain unaware that their HB has stopped until they are already in rent arrears.

Even those who are adequately informed, can navigate the system effectively and whose HB continues to be paid are also at risk. HB

³³ Claimants subject to intermediate level sanctions face disentanglement to JSA and so their JSA claim ceases altogether until they re-claim. At this point they then face a sanction of up to 4 weeks (or up to 13 weeks for subsequent failures to comply). Once a JSA claim ceases, all passported benefits claims, including HB, will also be stopped and a fresh claim will have to be made.

does not always cover tenants' full housing costs, even if they are on a passported benefit (i.e. eligible for 'full' HB). Recent changes, including the lowering of the rent rate payable to private rented sector tenants and the Removal of the Spare Room Subsidy (known as the 'bedroom tax') have left many tenants with a shortfall to make up from their other income. We consider these changes further below. Also, rent sometimes includes costs not covered by Housing Benefit - service charges, for example - that tenants pay from other income. Rent arrears can, therefore, accrue to tenants still in receipt of HB if they are unable to meet this portion of their rent. The majority of organisations (30 out of 39) surveyed by Homeless Link reported that clients had accrued service charge arrears as a result of sanctions.

9.2 Sanctions, homelessness and other reforms

Benefit sanctions or, more specifically, the financial impact of benefits sanctions must be seen **within the context of a raft of changes and reforms over the past five years: changes which have increased housing insecurity and reduced incomes**, particularly for the poorest people and communities. In addition to harsher sanctions, other key reforms to the benefit system that have reduced some households' income, including HB, are as follows³⁴.

- **The Removal of the Spare Room Subsidy**, or 'bedroom tax' was introduced for social renting tenants in April 2013 and makes a percentage reduction from a claimant's HB of 14 per cent for households with one 'spare'³⁵ bedroom and 25 per cent for those with two 'spare' bedrooms. People unable or unwilling to move face a shortfall in their HB.
- **A cap on the total benefit a household can receive** of £350 per week for single people and £500 per week for couples with children and lone parents was introduced in April 2013 so that households in receipt of benefit do not receive more than median net earnings.
- **The 'Shared Accommodation Rate' (SAR) for Local Housing Allowance was extended to single adults under the age of 35** from January 2012. Until then, single people aged 16-25 renting from a private landlord were only entitled to HB at the rate for shared (not self-contained) accommodation. This rule now applies to single adults aged 16-35. People living in self-contained accommodation with

³⁴ These are just some of the changes being made. Other changes include increasing the level of non-dependent deductions for those claiming HB, time limiting ESA, imposing a one per cent cap on the uprating of nearly all working age benefits, and a myriad of changes to the Tax Credit system.

³⁵ The space standards applied expect children under the age of 15 to share with another child of the same gender, and children under nine to share with another child regardless of gender. A couple living in a three bedroom property with their two male children aged 15 and 12 would, therefore, be classed as having a spare room.

rents higher than the SAR have to move to shared accommodation or face a shortfall in their LHA.

- In April 2011 **LHA rates were reduced** from the median local private sector market rent to the 30th percentile of local market rents; and rates were capped by property size. Anyone whose rent is higher than the 30th percentile will face a shortfall in their LHA.
- **Council Tax Benefit (CTB) was replaced by 'Council Tax Reduction Schemes'** in April 2013. Each local authority was given responsibility for running their own scheme and the Government reduced the amount of money given to each LA by 10 per cent. Many LAs have passed this reduction on to claimants so that people who previously would have had their council tax costs covered by CTB now have to make up the shortfall from other income.

Analysis by Beatty and Fothergill shows that welfare reform changes, combined, remove £470 per year, on average, from every working age adult in Great Britain (Beatty and Fothergill, 2013).³⁶ Geographical variation means that the impact is as high as £700-£900 in some locations - typically the most deprived parts of Great Britain. When all the reforms are fully implemented (in the main by 2014/15) the financial loss to working age adults will be nearly £19bn a year.

Some households will be able to accommodate this reduction in their income, and some may find employment or additional working hours as the economy begins to recover. Others, certainly, will not, with many households already struggling to get by. A survey of 'credit, debt and financial difficulty' in 2012, for example, defined 11 per cent of

respondents as being in financial difficulty. In total, 22 per cent reported constantly struggling to keep up, or falling behind with bills and payments and 19 per cent said that 'more often than not' they struggled to last until their next payday (BIS, 2013). A survey of social rented tenants in 2012 found high levels of indebtedness, including existing rent arrears, and more than half reported regularly running out of money before the end of the week (DWP, 2013).

In this context, it is easy to see how benefit sanctions could, potentially, increase claimants' risk of homelessness, particularly as reduced income - and financial circumstances more broadly - has been found to be a key driver of rent arrears (DWP, 2014b).³⁷ The **introduction of Direct Payment of HB in the social rented sector**, as part of Universal Credit (UC), may exacerbate the situation. Tenants who receive their HB directly (most private rented tenants, a small number of HA tenants and, once UC is rolled out, most social rented tenants) and who are sanctioned face a choice between paying their housing costs and paying for food, heating, travel costs and such like. It is easy to see how HB could be diverted to these essentials in such circumstances. There is evidence that tenants in the social rented sector who receive their HB directly are already using their HB to cover essentials, without the added financial impact of being sanctioned (DWP, 2014a).

Add to this the **erosion of housing security**, particularly for vulnerable people, and the picture becomes bleaker, with the likelihood of eviction as a result of rent arrears higher in less secure housing tenures. There is increased reliance on the private rented sector - a sector that remains unregulated - for meeting housing need. Changes

³⁶ Beatty and Fothergill's analysis incorporates many more changes that are mentioned here, including the freeze on some benefits, removal of Child benefit from high earners and various changes to sickness and disability benefits and tax credits. The '£470' figure takes all these changes into account. It does not, however, take account of benefit sanctions.

³⁷ This report is specific to social renting tenants.

brought in through the **Localism Act 2011** in England, for example, included the right of local authorities to discharge their homelessness duty into the private rented sector. It also devolved power to local authorities to determine who qualifies for social housing, which has restricted access to this more secure rented sector. Following the introduction of the Localism Act some local authorities have closed, or removed people without 'reasonable preference', from their waiting lists, and are prioritising allocations to those in work. Security in the social rented sector is also being eroded, with the introduction of conditional and fixed term tenancies. There is some evidence that welfare reforms are prompting some Housing Associations to take a more commercial, and risk-averse approach to lettings, prioritising those in employment and who can demonstrate financial security, and thereby restricting access for the most vulnerable. These housing-related reforms (including those to HB) are seen as increasingly undermining housing as the 'saving grace' of an otherwise relatively ungenerous welfare system (Tunstall *et al.*, 2013).

We see, then, how benefit sanctions intersect with other recent welfare and housing policy changes to impact, potentially, on levels of homelessness. It is also worth noting that increased severity of benefit sanctions has coincided with an escalation in the use of conditional and enforcement approaches to homelessness, especially in its more 'visible' forms (Johnsen *et al.*, 2014). This includes Anti-Social Behaviour Orders (ASBOs), arrests under the Vagrancy Act 1824, and controlled drinking zones (Johnsen *et al.*, 2014) as well as efforts to responsabilise homeless people - asking rough sleepers pay for hot food at a day-centre, for instance (Whiteford, 2010). This increasing 'tough love' ethic towards homelessness (Fitzpatrick and Jones, 2005), is mirrored in the new benefits and sanctions regime.

9.3 Key points

- As well as exacerbating the problems homeless people face, sanctions may also increase the risk of homelessness. This is principally because claimants cut back on, or cannot support their housing costs (rent, board, service charges) or fail to reclaim HB when a sanction is imposed.
- This must be placed within the context of the raft of other reforms recently implemented that are increasing housing insecurity and reducing income, particularly for the poorest people and communities. This includes: the removal of the spare room subsidy (the 'bedroom tax'); changes in the LHA rates; extension of the LHA shared room rate; changes to Council Tax Benefit; and the Localism Act 2011.

10. Conclusions

Available evidence, scant as is it, suggests that homeless people may be disproportionately affected by sanctions. Given their already marginalised position in society and the multiple barriers they face, homeless people struggle to negotiate and satisfy the conditions set out in their Claimant Commitments, under a regime both 'complex and difficult to understand' (Griggs and Bennett, 2009: 36). Some have commented that the unfair and disproportionate sanctioning of those who are unable to effectively negotiate the benefits system ultimately conflicts with other important government goals, such as the reduction of poverty (Griggs and Bennett, 2009).

Research so far has, however, only skimmed the surface and official statistics tell us very little about benefit sanctions and homelessness. The evidence presented in this scoping paper raises serious questions about the appropriateness, effectiveness, and consequences of benefit sanctions for homeless people, and the potential impact of sanctions on levels of homelessness, but no firm conclusions can currently be drawn. Through further research over the coming year we hope to start building a robust evidence base, so that informed debate can take place about the appropriateness and effectiveness of welfare conditionality and benefit sanctions in the context of homelessness.

Bibliography

Action for Children (2014) *Too Much, Too Young: Helping the Most Vulnerable Young People to Build Stable Homes after Leaving Care*. Watford: Action for Children.

Beatty, C. and Fothergill, S. (2013) *Hitting the Poorest Places Hardest: The local and regional impact of welfare reform*. Sheffield: CRESR, Sheffield Hallam University.

Barker, N. and Lambie, S. (2009) From social security to individual responsibility: Sanctions, conditionality and punitiveness in the Welfare Reform Bill 2009 (Part One). *Journal of Social Welfare and Family Law*, 31 (3), pp. 321 – 332.

Bauld, L., Carroll, C., Hay, G., McKell, J., Novak, C., Silver, K. and Templeton, L. (2010) *Alcohol Misusers' Experiences of Employment and the Benefit System*. London: Department for Work and Pensions.

Burt, M., Carpenter, J., Hall, S., Henderson, K., Rog, D., Hornik, J., Denton, A. and Moran, G. (2010) *Strategies for Improving Homeless People's Access to Mainstream Benefits and Service*. U.S. Department of Housing and Urban Development Office of Policy Development and Research.

Cherlin, A., Burton, L., Francis, J., Henrici, J., Lein, L., Quane, J. and Bogen, K. (2001) *Sanctions and Case Closings for Noncompliance: Who Is Affected and Why*. Policy Brief 01-1, Baltimore, MD: Johns Hopkins University.

Citizens Advice Bureau (2013) *Punishing Poverty? A Review of Benefit Sanctions and their Impacts on Clients and Claimants*. Manchester: Manchester CAB Service.

Citizens Advice Bureau (2014) *Unjust and Uncaring: A Report on Conditionality and Benefits Sanctions and their Impacts on Clients*. Dumbarton: West Dunbartonshire CAB.

Cork Simon Community (2012) *Working it Out: A Report on the Barriers to Employment Faced by People who are Homeless*. Cork: Cork Simon Community.

Crisis (2004) *Living in Fear: Violence and Victimisation in the Lives of Single Homeless People*. London: Crisis.

Crisis (2006) *Homeless People and Learning and Skills: Participation, Barriers and Progression*. London: Crisis.

Dorsett, R. (2008) *Pathways to Work for New and Repeat Incapacity Benefits Claimants: Evaluation Synthesis Report Department for Work and Pensions*. Research Report No. 525. Norwich: Her Majesty's Stationery Office.

Dorsett, R., Rolfe, H. and George, A. (2011) *The Jobseeker's Allowance Skills Conditionality Pilot*. Research Report No. 768. London: Department for Work and Pensions.

DWP (2006) *A New Deal for Welfare: Empowering people to work*. London: Department for

Work and Pensions.

DWP (2008a) *More Support, Higher Expectations: The role of conditionality in improving employment outcomes. A background research and discussion paper, July*

DWP (2008b) *Raising Expectations and Increasing Support: Reforming welfare for the future*. London: Department for Work and Pensions.

DWP (2010a) *21st Century Welfare*. London: Department for Work and Pensions.

DWP (2010b) *Universal Credit: Welfare that Works*. London: Department for Work and Pensions.

DWP (2013) *Appeals Reform an Introduction*. London: Department for Work and Pensions.

DWP (2014) *Direct Payment Demonstration Projects: Rent underpayment*. Research Report No. 877. London: Department for Work and Pensions.

DWP (2014c) *Government's response to the Independent review of the operation of Jobseeker's Allowance sanctions validated by the Jobseekers Act 2013*, London: Department for Work and Pensions.

Eardley, T., Brown, J., Rawsthorne, M., Norris, K. and Emrys, L. (2005) *The Impact of Breaching on Income Support Customers*. Sydney: Social Policy Research Centre.

Fitzpatrick, S. and Jones, A. (2005) Pursuing Social Justice or Social Cohesion? Coercion in Street Homelessness Policies in England. *Journal of Social Policy*, 34 (3), pp. 389-406.

Fitzpatrick, S., Bramley, G. and Johnsen, S. (2012) Pathways into Multiple Exclusion Homelessness in Seven UK Cities. *Urban Studies*, DOI: 10.1177/0042098012452329.

Fitzpatrick, S., Pawson, H., Bramley, G., Wilcox, S. and Watts, B. (2013) *The Homelessness Monitor: England 2013*. London: Crisis.

Fothergill, S. (2010) Welfare to work: time for a rethink. *People Place and Policy Online*, 4 (1), pp. 3-5.

Greater Manchester CAB (2013) *Punishing Poverty*: Manchester

Goodwin, V. (2008) *The Effects of Benefit Sanctions on Lone Parents' Employment Decisions and Moves into Employment*. DWP Research Report No. 511. Norwich: Her Majesty's Stationery Office.

Gregg, P. (2008) *Realising Potential: A Vision for Personalised Conditionality and Support: an independent report to the Department for Work and Pensions*. London: DWP.

Griggs, J. and Bennett, F. (2009) *Rights and Responsibilities in the Social Security System*. Social Security Committee Occasional Paper No. 6, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/323833/ssac_occasional_paper_6.pdf (accessed 20th

October 2014).

Griggs, J. and Evans, M. (2010) *Sanctions within Conditional Benefit Systems: A Review of Evidence*. York: Joseph Rowntree Foundation.

Head, D. (2014) 'I was ill with hunger, went to prison for stealing food and became homeless [online]. *The Guardian*, 29 July, <http://www.theguardian.com/society/2014/jul/29/benefits-sanctions-matthew-oakley-report-hunger>.

Homeless Link (2014). *The Unhealthy State of Homelessness: Health Audit Results 2014*. London: Homeless Link.

Homeless Link, St. Mungo's and Crisis (2012) *The Programme's Not Working: Experiences of Homeless People on the Work Programme*. London: Homeless Link, St. Mungo's and Crisis.

Homeless Link (2013) *A High Cost to Pay: The Impact of Benefit Sanctions on Homeless People*. London: Homeless Link.

House of Commons Work and Pensions Committee (2014) *The role of Jobcentre Plus in the reformed welfare system*, Second Report of Session 2013–14.

Hough, J., Jones, J. and Rice, B. (2013) *Longitudinal qualitative research on homeless people's experiences of starting and staying in work*. London: Broadway Charity.

Johnsen, S., Fitzpatrick, S. and Watts, B. (2014) Conditionality Briefing: Homelessness and 'Street Culture'. Welfare Conditionality Study Briefing Papers. York.

Johnsen, S. and Watts, B. (2014) Homelessness and Poverty: reviewing the links. Paper presented at the European Network for Housing Research (ENHR) conference, Edinburgh, 1-4 July 2014.

Joyce, L., Kasparova, D. and Wilkinson, D. (2006) *Evaluation of Basic Skills Mandatory Training Pilot: Synthesis Report*. Department for Work and Pensions Research Report No. 385. Norwich: Her Majesty's Stationery Office.

Lane, P., Casebourne, J. Lanceley, L. and Davies, M. (2011) *Lone parent obligations: work, childcare and the Jobseeker's Allowance regime*. DWP Research Report No. 782.

Lee, B.J., Slack, K.S. and Lewis, D.A. (2004) Are welfare sanctions working as intended? Welfare receipt, work activity and material hardship amongst TANF recipients. *Social Service Review*, 78 (3), pp. 370-403.

Machin, S. and Marie, O. (2004) Crime and Benefit Sanctions. *Portuguese Economic Journal* 5, 149-165.

Mancuso, D. and Lindler, V. (2001) *Examining the Circumstances of Welfare Leavers and Sanctioned Families in Sonoma County: Final Report*. Burlingame, CA: SPHERE Institute, <http://www.sphereinstitute.org/pdf/HewlettSonomaFinal.pdf> (accessed September 2009).

Meyers, M., Harper, S., Klawitter, M. and Lindhorst, T. (2006) *Review of Research on TANF Sanctions*. Report to Washington State WorkFirst SubCabinet. Seattle: West Coast Poverty Center.

Mitchell, M. and Woodfield, K. (2008) *Qualitative Research Exploring the Pathways to Work Sanctions Regime*. DWP Research Report No. 475. London: Department of Work and Pensions.

Molloy, D. and Ritchie, J. (2000) *New Deal for Long-term Unemployed People: Findings from a Qualitative Study among Participants*, prepared for the Employment Service.

Muggleton, T. and Ruthven, I. (2012) Homelessness and Access to the Informational Mainstream. *Journal of Documentation*, 68 (2), pp. 218-237.

National Audit Office (2005) *Dealing with the complexity of the benefits system*. London: National Audit Office.

New Economics Foundation (NEF) (2008) *Work it Out: barriers to employment for homeless people*. London: Business Action on Homelessness.

Oakley, M. (2014) *Independent Review of the Operation of Jobseeker's Allowance Sanctions Validated by the Jobseekers Act 2013*. London: Her Majesty's Stationery Office.

Peters, M. and Joyce, L. (2006) *A Review of the JSA Sanctions Regime: Summary Research Findings*. DWP Research Report No. 313. Leeds: Corporate Document Services.

Polit, D., London, A. and Martinez, J. (2001) *The Health of Poor Urban Women: Findings from the Project on Devolution and Urban Change*. Manpower Demonstration Research Corporation, <http://www.mdrc.org/Reports2001/UC-HealthReport/UC-HealthRpt-FullRpt2001.pdf> (accessed November 2009).

Scottish Government (2013) *The potential impacts of benefit sanctions on individuals and households, 2013*.

Social Security Advisory Committee (SSAC) (2006) *19th Annual Report*, <http://www.ssac.org.uk/pdf/reports/19thReportFinal.pdf> (accessed October 2014).

Social Security Advisory Committee (SSAC) (2012) *Universal Credit and Conditionality*. SSAC Occasional Paper No. 9. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/323919/ssac_occasional_paper_9.pdf (accessed 20th October 2014).

Social Security Advisory Committee (SSAC) (2013) *Communications in the benefits system: A study by the Social Security Advisory Committee*, Occasional Paper No. 11, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/324005/ssac_occasional_paper_11_summary.pdf (accessed 20th October 2014).

The Scottish Parliament (2014) *Interim Report on the New Benefit Sanctions Regime: Tough Love or Tough Luck?* Welfare Reform Committee Report, 4th Report. Edinburgh: The Scottish Parliament.

Turnstall, R., Bevan, M., Bradshaw, J., Croucher, K., Duffy, S., Hunter, C., Jones, A., Rugg, J., Wallace, A. and Wilcox, S, (2013) *The Link Between Housing and Poverty: an evidence review*. York: JRF

Vincent, J. (1998) *Qualitative Research on Disallowed and Sanctioned Claimants Phase Two: After Jobseeker's Allowance*. The Department for Education and Employment, Research Report No.86. Norwich: Her Majesty's Stationery Office.

Wallace, A. and Quilgers, D. (2005) *Homelessness and Financial Exclusion: A Literature Review*. York: Centre for Housing Policy, University of York.

Webster, D. (2013) Sanctions and Homelessness. Paper presented at *14th National Homelessness Conference*, Edinburgh, November 2013.

Webster, D. (2014a) *Briefing: The DWP's JSA/ESA sanctions statistics release, 13 August 2014*.

Webster, D. (2014b), *JSA Sanctions: A Guide to the Oakley Report and the Government's Response*

Whiteford, M. (2010) Hot Tea, Dry Toast and the Responsibilisation of Homeless People. *Social Policy & Society*, 9 (2), pp. 193-205.

Work and Pensions Committee (2013) *Can the Work Programme work for all user groups?* First Report Session 2013-14. London: House of Commons.

About Crisis

Crisis is the national charity for single homeless people. We are dedicated to ending homelessness by delivering life-changing services and campaigning for change.

Our innovative education, employment, housing and well-being services address individual needs and help homeless people to transform their lives. We measure our success and can demonstrate tangible results and value for money.

We are determined campaigners, working to prevent people from becoming homeless and advocating solutions informed by research and our direct experience.

We have ambitious plans for the future and are committed to help more people in more places across the UK. We know we won't end homelessness overnight or on our own. But we take a lead, collaborate with others and together make change happen.

Get in touch

Crisis head office
66 Commercial Street
London E1 6LT
Tel: 0300 636 1967

www.crisis.org.uk

© Crisis 2015

ISBN 978-1-78519-008-7

Crisis UK (trading as Crisis). Registered Charity Numbers:
E&W1082947, SC040094. Company Number: 4024938

Homelessness ends here