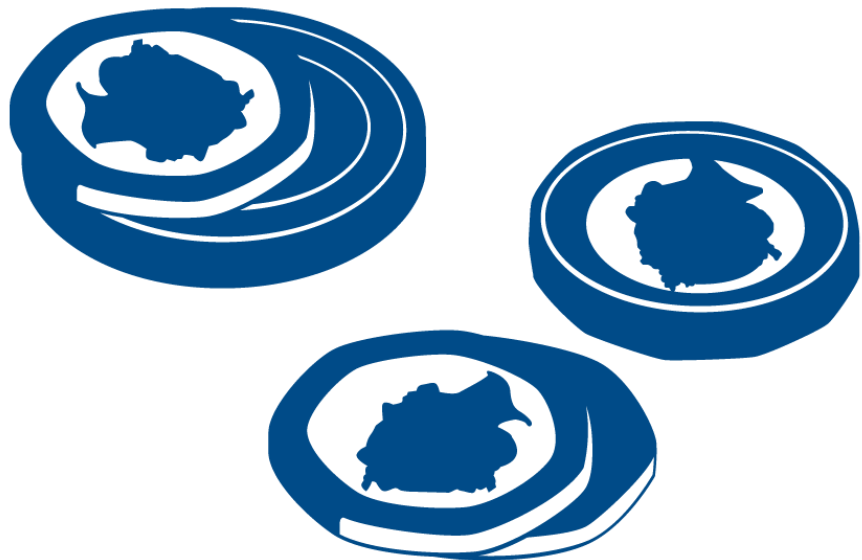


# The sanctions spiral

The unequal impact and hardship caused by sanctions in Universal Credit



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# Summary

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**Sanctions are financial penalties applied if people don't meet the conditions of their benefits.** For example, someone may be sanctioned if they don't attend a meeting with their work coach. Current reforms mean that **more people will be at risk of being sanctioned in the future.**

**Sanctions rates within Universal Credit (UC) have more than doubled in the last 3 years** and at Citizens Advice we are helping more and more people with sanctions. **Young people and men are most likely to be sanctioned.** Racially minoritised people, people who are disabled or have a long term health condition and single people also appear to be at greater risk of sanctions.

People we help tell us they've been sanctioned for missing meetings due to ill health, caring responsibilities or phone or internet issues. **Work coaches often take a 'guilty until proven innocent' approach,** where they apply sanctions without asking claimants why they didn't do the required activity.

In terms of the impact of sanctions:

**Sanctions can cause or exacerbate financial hardship.** 94% of people who've been sanctioned in the last 6 months have had to cut back, borrow money, seek crisis support and/or go without essentials.

**People who have been sanctioned are left living on empty.** Among our debt clients, the median income of people who've been sanctioned is £132 lower than for people on UC in general.

**The loss of income from sanctions can cause people's mental and/or physical health to deteriorate** if they are faced with a lack of food, heating or electricity, as well as additional anxiety over their finances.

More needs to be done to make the system fairer and there are 2 immediate, simple changes that would help. First, to better understand the unequal impact of sanctions, **the Department for Work and Pensions (DWP) should publish more demographic data on UC claimants, especially those subject to sanctions.** Second, to protect those at risk of sanctions, **the DWP should ensure that staff give people time to explain or submit evidence before a sanction is applied.** In the longer term, we need a fresh approach and a move away from sanctions that too often penalise people for being on a low income.

# Introduction

## Welfare conditionality

When people claim UC, the DWP assesses whether they are able to work. The DWP then assigns claimants to a particular welfare regime based on this assessment. Welfare regimes are also known as ‘work-related activity groups’. These different regimes come with particular expectations, which means that people might need to prepare for work, actively seek work or increase their earnings. These expectations are known as welfare conditionality.<sup>1</sup>

Table 1: UC work-related activity groups

Work-related activity group	Criteria for group	Expectations
No work requirements	Limited capability for work-related activity Full-time carer Main carer for a child under 1 Pregnant or recently gave birth	No requirement to do anything to prepare for or look for work
Searching for work	Fit for work Unemployed In work but on very low earnings	Intensive work search Regular work coach meetings
Preparing for work	Main carer for a child aged 2 Limited capability for work	Prepare for work, including training Regular work coach meetings
Planning for work	Main carer for a child aged 1	Regular work coach meetings
Working - with requirements	In work, earning under the CET <sup>2</sup> Not working but partner has low earnings	Regular work coach meetings

<sup>1</sup> This report looks at sanctions within UC, however conditionality and sanctions also apply to many legacy benefits.

<sup>2</sup> The Conditionality Earnings Threshold (CET) is usually equivalent to working 35 hours at the National Living Wage, but is flexible depending on people's circumstances

Work-related activity group	Criteria for group	Expectations
Working - no requirements	In work and earning over CET	No requirement to do anything to prepare for or look for work

The conditions on people's UC are set out in their 'claimant commitment'. This is a document that lists any work search activities, training and other work-related activities they must do to receive their UC.

## Sanctions

Conditionality is enforced through sanctions. These are financial penalties that work coaches apply if people don't meet the conditions of their benefits. For example, someone may be sanctioned if they don't attend a meeting with their work coach or don't apply for a particular job. Claimant commitments set out what people can be sanctioned for and by how much.

Sanctions are classified as either low, medium or high level. The lowest level applies if someone misses a meeting with their work coach. In this case, they are likely to be sanctioned until they attend another meeting. A sanction may also stop if the claimant's conditions change, for example if they are assessed to be not fit for work. Higher level sanctions are applied when people fail to meet their commitments in more significant ways, for example for turning down a job offer. High level sanctions last for 91 days the first time and 182 days the second time.

The amount that people get sanctioned by depends on their conditionality regime, age and whether they claim as a single person or in a couple. A single person over 25 who is in the 'searching for work' group would be sanctioned 100% of their allowance for each day they are sanctioned, which typically amounts to £12 per day.

## Changes to conditionality

In January of this year, the DWP increased the number of people with stronger conditions on their benefits by raising the Administrative Earnings Threshold (AET). The AET is the amount of money you need to earn to move from the 'Light Touch' group to the 'Intensive Work Search' group. For single people it rose from the equivalent of working 12 hours per week earning the National Living Wage to

15 hours, which was predicted to affect 120,000 workers.<sup>3</sup> The threshold is set to rise further to 18 hours.<sup>4</sup> Anyone earning under that amount is expected to do more to increase their earnings and is therefore at higher risk of sanctions.

In March, the DWP published a white paper on disability, in which they announced changes to the way disability benefits would be awarded. A key change is that conditionality will be expanded for people who are currently deemed to have 'Limited Capability for Work' (LCW) or 'Limited Capability for Work and Work Related Activity' (LCWRA). Currently, people with the LCW or LCWRA elements of UC are subject to few or no conditions on their benefits.<sup>5</sup> There will also be increased work coach discretion, which means that work coaches will have more say in the conditions people have on their benefits.<sup>6</sup> As a result of these changes, more people will be at risk of being sanctioned. These changes are expected to be rolled out over 3 years from 2026.<sup>7</sup>

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<sup>3</sup> Department for Work and Pensions. 2023. Hundreds of thousands more workers to receive job support boost in spring. See: <https://www.gov.uk/government/news/hundreds-of-thousands-more-workers-to-receive-job-support-boost-in-spring>

<sup>4</sup> Department for Work and Pensions. 2023. 'Back to work Budget' supporting people to return to the labour market. See: <https://www.gov.uk/government/news/back-to-work-budget-supporting-people-to-return-to-the-labour-market>

<sup>5</sup> With the exception of people in the 'no work requirements' regime with limited capability for work related activities, all UC claimants can be sanctioned. This is because claimants might be expected to meet with their work coach to review their requirements and could be sanctioned for missing this appointment. However, currently only the searching for work, planning for work or preparing for work groups are subject to work-related requirements at all times.

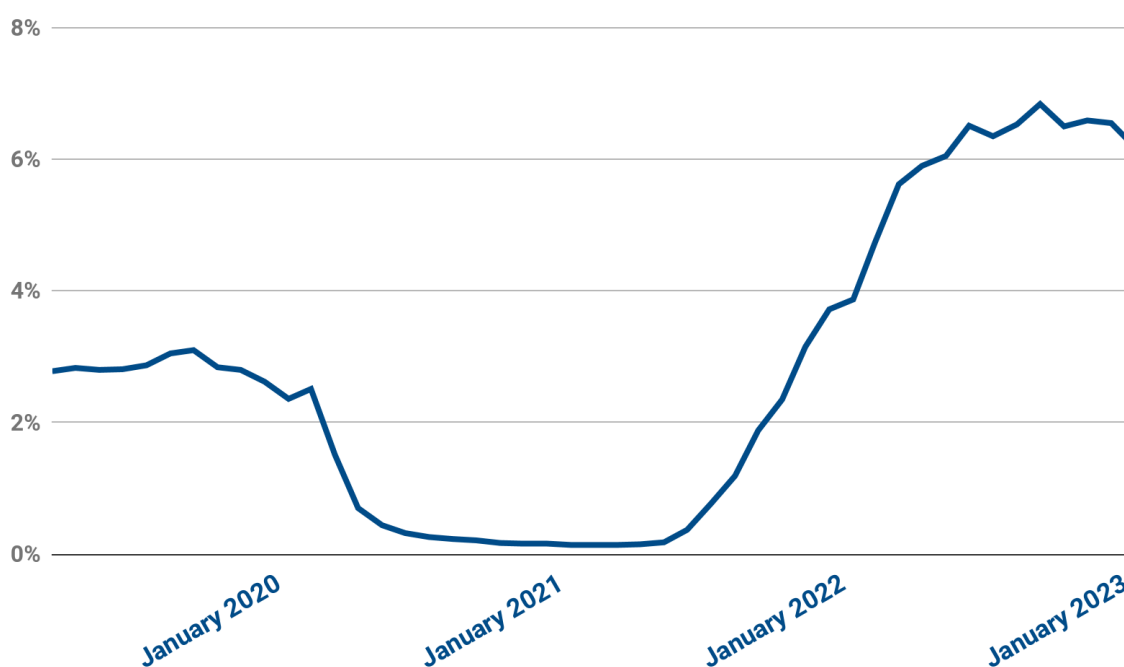
<sup>6</sup> Department for Work and Pensions. 2023. Transforming Support: The Health and Disability White Paper. See: <https://www.gov.uk/government/publications/transforming-support-the-health-and-disability-white-paper>

<sup>7</sup> House of Commons Library. 2023. Proposals to abolish the Work Capability Assessment. See: <https://commonslibrary.parliament.uk/research-briefings/cbp-9800/>

# The scale of sanctions

From February 2022 to January 2023, over 540,000 sanctions were handed out to UC claimants. Figure 1 shows sanction levels since April 2019 as a proportion of UC recipients who can be sanctioned.

Figure 1: Line graph of adverse UC sanction decisions as a proportion of people in conditionality regimes where sanctions can be applied, by month



Source: DWP<sup>8</sup>

Between April 2019 and March 2020, on average 2.8% of people who could be sanctioned were subject to a sanction each month. New sanctions temporarily fell to zero at the start of the pandemic because conditionality was paused.<sup>9</sup> However, sanctions rose quickly once conditionality was reintroduced and have been above 6% each month since June 2022. This shows that UC claimants are now much more likely to be sanctioned than they were 4 years ago.

<sup>8</sup> Department for Work and Pensions (2023). Benefit sanctions statistics. See: <https://www.gov.uk/government/collections/jobseekers-allowance-sanctions>

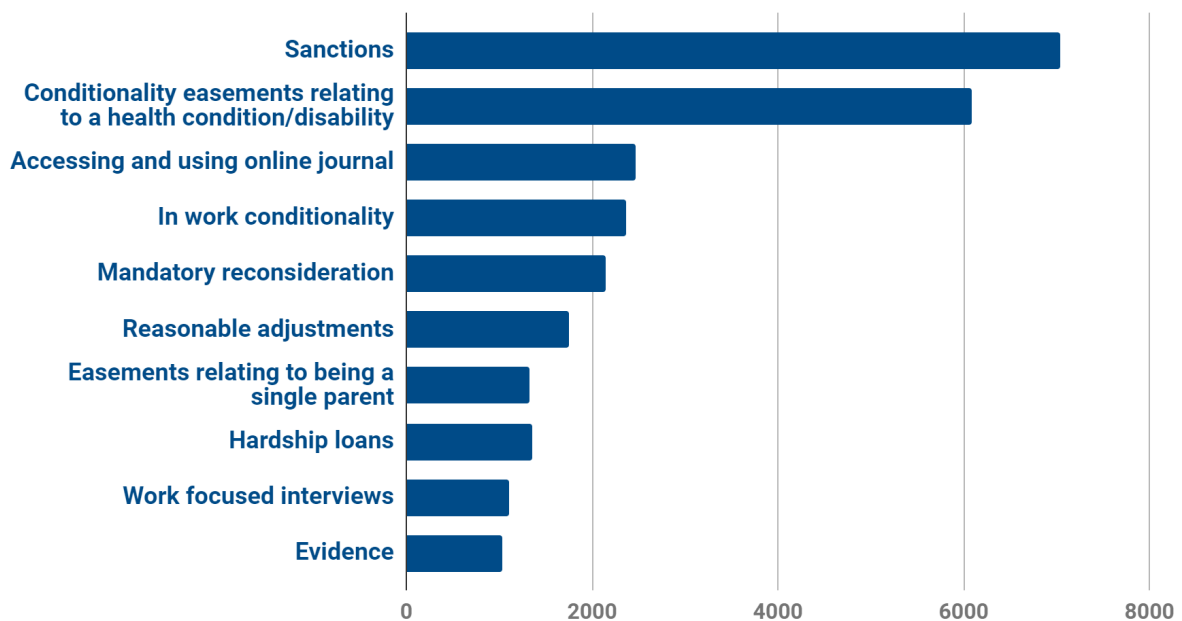
<sup>9</sup> New adverse sanction decisions dropped to zero at the start of the pandemic because conditionality was paused between the 30th March and 30th June 2020, while the DWP focused on processing the large number of new UC claims. Face-to-face work coach appointments were suspended at the same time. The number of sanctions rose sharply when face-to-face appointments were gradually reintroduced from April 2021.

## What we're seeing in our data

Over the last year<sup>10</sup>, more than 300,000 people came to us for help with UC. The data we gather from talking to people gives us a valuable insight into how often people face difficulties with welfare conditionality.

In this period, we helped over 22,000 people with conditionality and the claimant commitment, including sanctions. Figure 2 shows the top 10 issues<sup>11</sup> faced by people who contacted Citizens Advice for help with conditionality. Sanctions were the biggest issue that clients discussed with advisers, at over 7,000 cases. Conditionality easements<sup>12</sup> relating to a health condition or disability was close behind at over 6,000.

*Figure 2: The top 10 issues Citizens Advice helped people with relating to conditionality and claimant commitment, from June 2022 to May 2023*



Source: Citizens Advice casebook data

In recent years, the number of people we help with sanctions has grown considerably. Figure 3 shows the number of people we help with sanctions as a

<sup>10</sup> Between June 2022 and May 2023

<sup>11</sup> Excluding those categorised as 'other' or 'not recorded'.

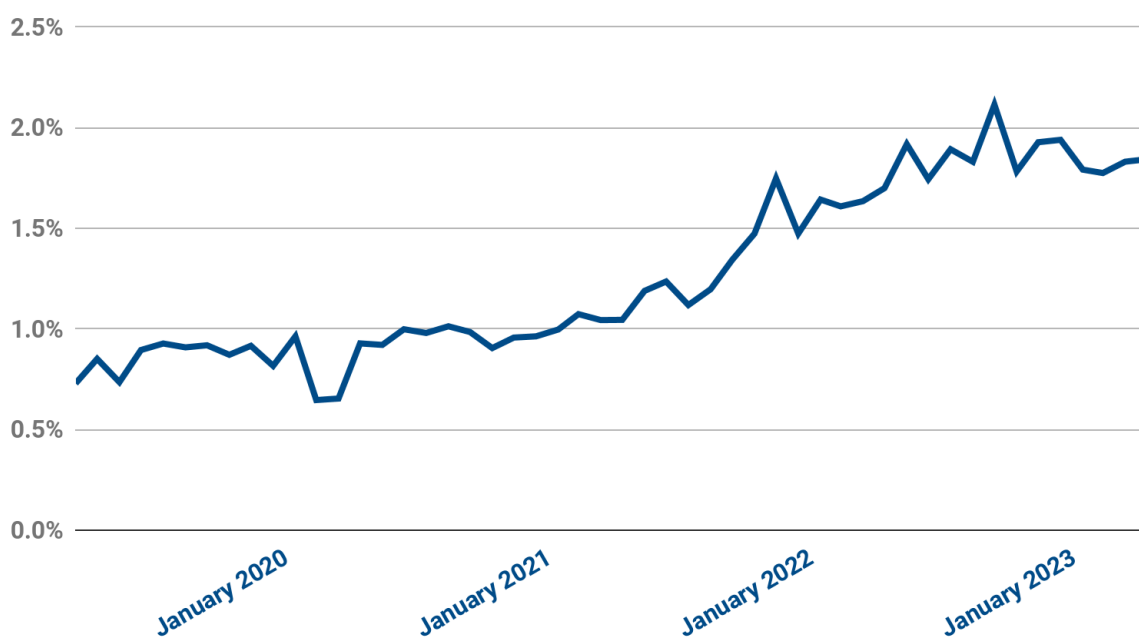
<sup>12</sup> Easements allow conditionality to be paused for someone who is temporarily unable to meet the conditions in their claimant commitment, for example due to jury service or a bereavement.



proportion of those we help with any UC issue.<sup>13</sup> Since the pandemic, the advice we have given on sanctions has increased significantly and surpasses the pre-pandemic proportion of our UC clients.

Even accounting for the rise in UC claims over time, sanctions have still risen faster as an issue for the people we help. The people we help now with Universal Credit are 2.5 times more likely to seek advice on sanctions than those we helped 4 years ago.

*Figure 3: People Citizens Advice helped with sanctions, as a proportion of people we helped with UC, from April 2019 to May 2023<sup>14</sup>*



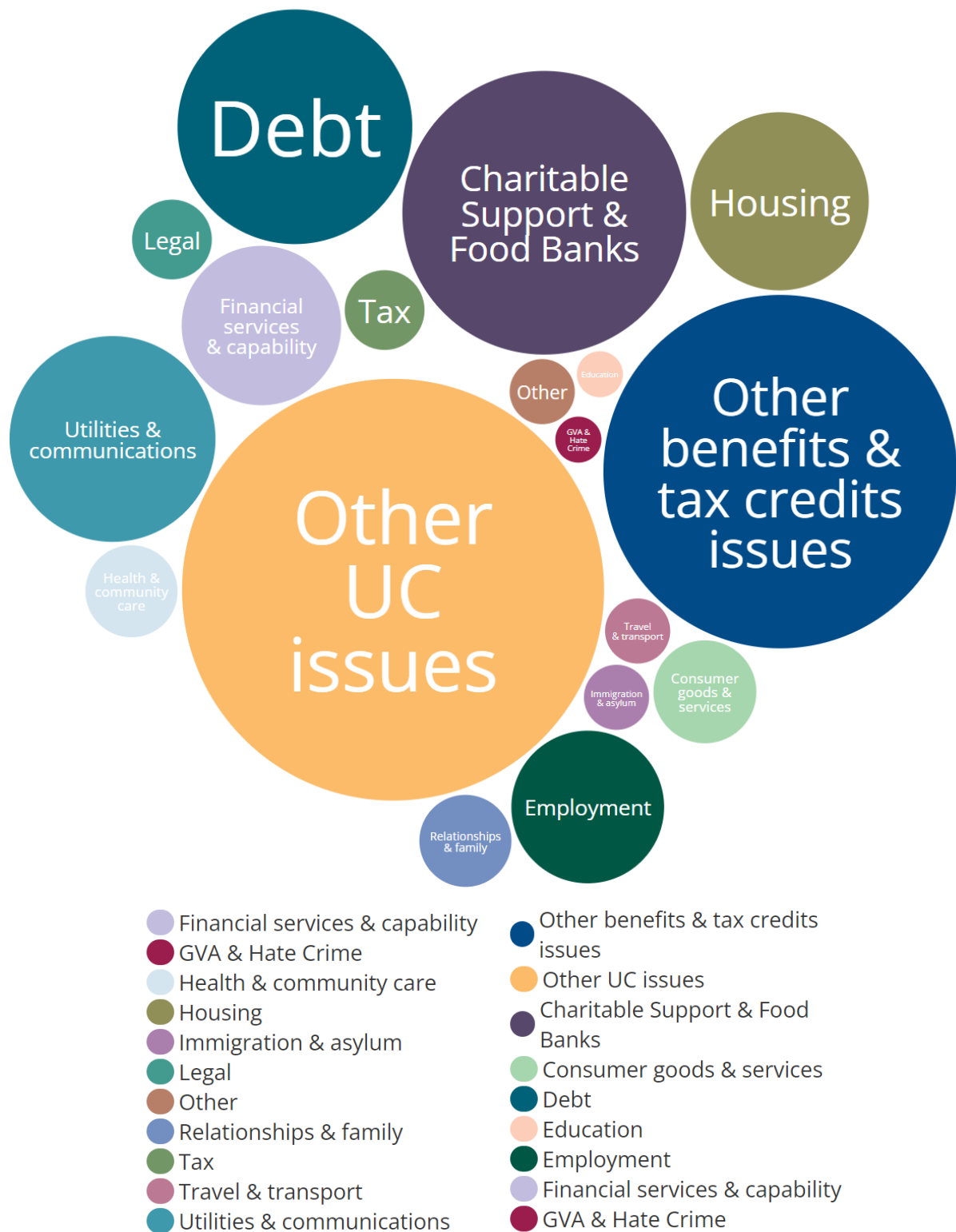
Source: Citizens Advice casebook data

Between June 2022 and May 2023, 84% of people we helped with sanctions also raised other issues with UC, as shown in figure 4. 4 in 10 (38%) needed to access charitable support and food banks, while a quarter (26%) needed help with debt. This suggests that for many, sanctions are causing hardship and driving people to crisis support.

<sup>13</sup> The percentages are relatively small because a large proportion of the people we help with UC are using our Help to Claim service.

<sup>14</sup> Our Help to Claim service was introduced in April 2019 and significantly increased the number of people we help with UC, so this time period allows for meaningful comparison.

Figure 4: Other issues raised by people seeking support with sanctions from Citizens Advice, June 2022 to May 2023



Source: Citizens Advice casebook data

# Who is being sanctioned?

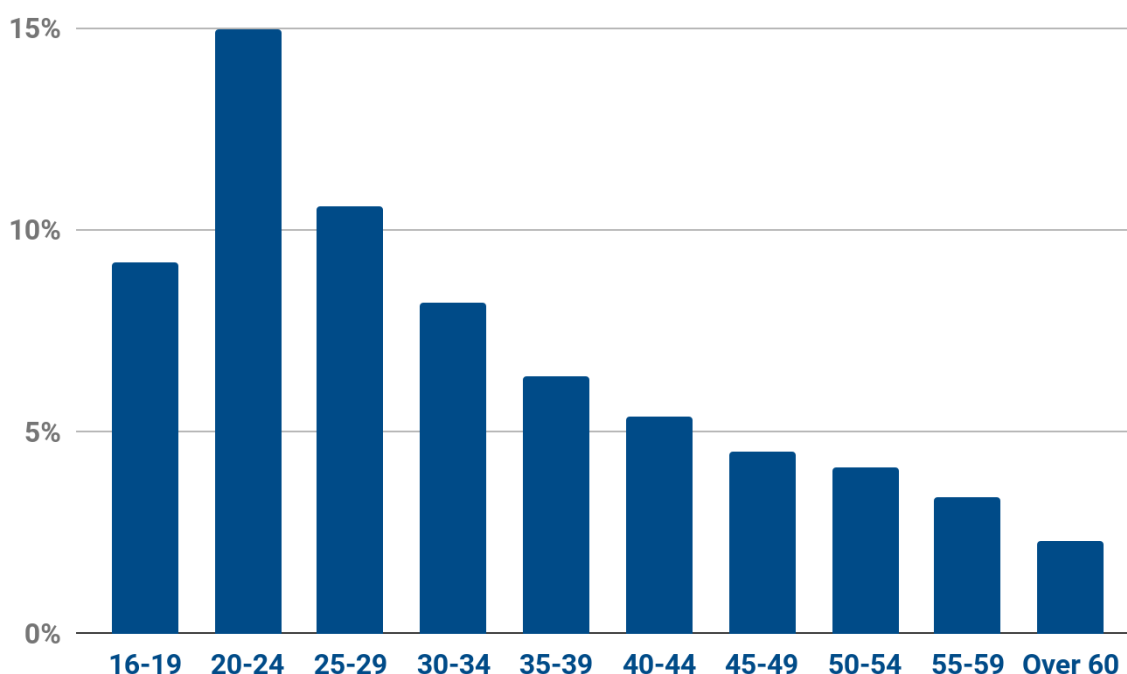
DWP data shows that sanctions vary by age and gender, but DWP currently doesn't publish data on ethnicity, disability or household type. To understand demographic variations, we use a mix of DWP data, polling data and our advice data on how frequently different groups come to us for help with sanctions.

## Age

DWP data shows that young people are more likely to be sanctioned than older people. Seven times as many UC claimants aged 16 to 24 were subject to a sanction as over 50s in February.

When conditionality regimes are taken into account the gap grows. Among UC claimants who can be sanctioned,<sup>15</sup> 12% of 20-24 year olds were sanctioned in February 2023, compared to just 2% of over 60s.

*Figure 5: Proportion of people in the 'searching for work' regime who were subject to a sanction in February 2023, by age group*



<sup>15</sup> Those classified as searching for work, planning for work or preparing for work.

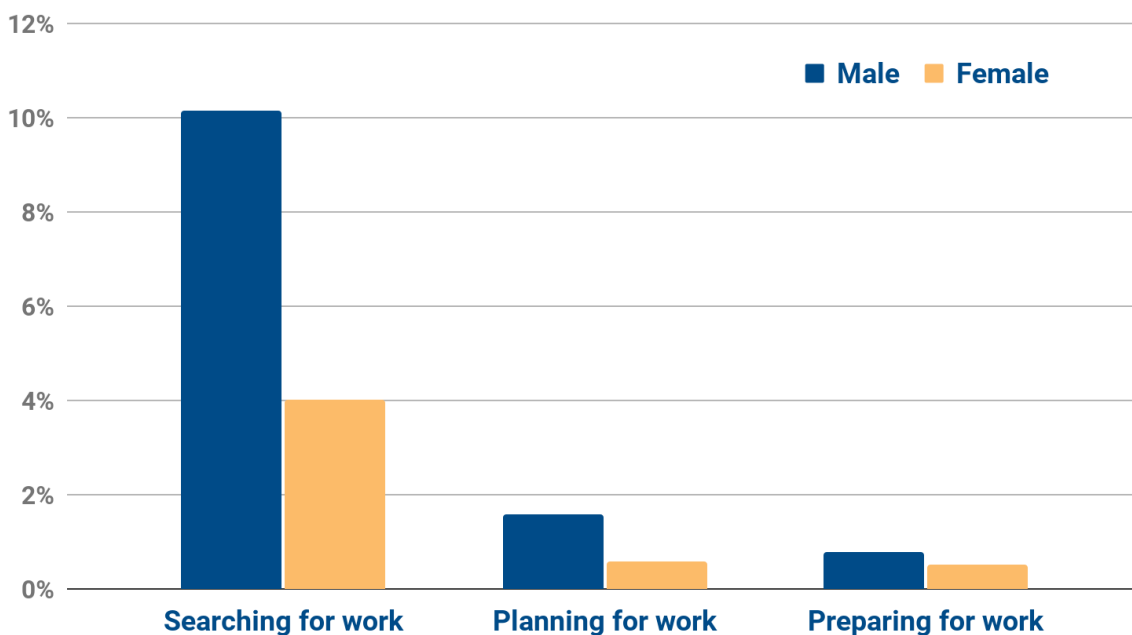
Source: DWP<sup>16</sup>

In the 'searching for work' group, younger people are still more likely to be sanctioned than older people (see fig. 5).<sup>17</sup> 15% of people in this group aged 20-24 had been sanctioned in February 2023, compared to 2.3% of over 60s.

## Gender

Men are disproportionately likely to be sanctioned, regardless of conditionality regime (as shown in figure 6). Within the 'searching for work' group, men account for 77% of sanctions but only 58% of claimants.

*Figure 6: Proportion of UC claimants subject to a sanction in February 2023, by gender and conditionality regime*



Source: DWP<sup>18</sup>

We can see the same over representation of men in our own data; 22% of the people who come to us for help with sanctions are single men with no children.<sup>19</sup> However, this group makes up only 13% of those we help with UC in general.

<sup>16</sup> DWP Statxplare. Available at: <https://stat-xplare.dwp.gov.uk/>

<sup>17</sup> The 'searching for work' group accounted for 93% of all sanctions in February.

<sup>18</sup> DWP Statxplare. Available at: <https://stat-xplare.dwp.gov.uk/>

<sup>19</sup> The client data in this section are from 1 June 2022 to 31 May 2023.

## Ethnicity

In June we conducted a poll of 809 UC claimants.<sup>20</sup> We asked respondents whether they had been sanctioned in the last 6 months. We found that 9% of white people had been sanctioned, compared to 17% of racially minoritised people. This suggests there may be racial disparities in the rates at which people are sanctioned.

In our advice data, Black people in particular are overrepresented relative to the general population among those we help with both UC and sanctions specifically. 7% of those we help with sanctions are Black, compared to 4% of the population of England and Wales.<sup>21</sup>

## Disability

Our evidence suggests that people who are disabled or have a long term health condition may be at a higher risk of sanctions. We estimate that 45% of people who receive UC without LCW and LCWRA elements (meaning they're in regimes that can be sanctioned) are disabled.<sup>22</sup> However, 53% of the people we help with sanctions are disabled or have a long term health condition. This suggests that disabled people are disproportionately likely to come to us for help with sanctions.

Within types of disability, the proportion of people we help with sanctions and UC are similar, with the exception of mental health. 16% of those who come to us for help with sanctions have a mental health condition, compared to 11% of those we help with UC in general.

## Household type

Household type - whether claimants are single or a couple and whether they have children - is likely to affect both the risk and impact of sanctions for

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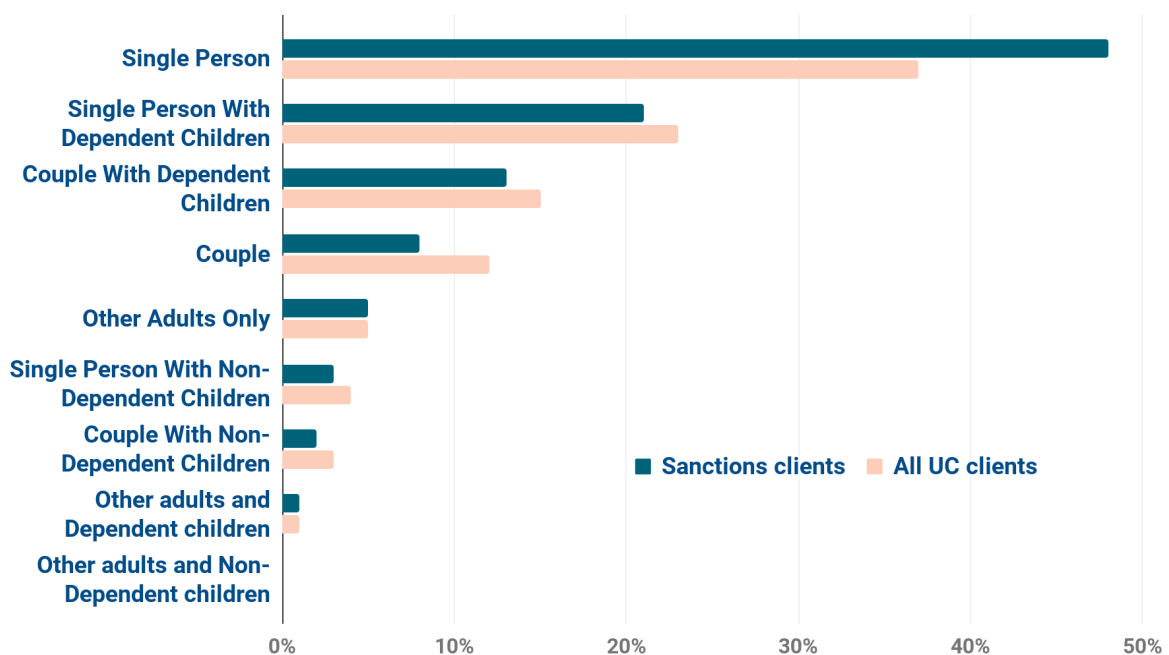
<sup>20</sup> Citizens Advice commissioned Walnut to survey UK adults (18+) about how they are managing the cost of living crisis. The data in this report uses the results from the booster sample of 809 UC claimants. Fieldwork took place online, between 2 and 12 June 2023.

<sup>21</sup> Office for National Statistics. 2023. Population of England and Wales. See: <https://www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/national-and-regional-populations/population-of-england-and-wales/latest>

<sup>22</sup> For details of how we estimated this, please see the Appendix.

claimants. Single people, particularly single men, are more likely to come to us for help with sanctions. As shown in figure 7, single people with no children make up 48% of our sanctions clients, but only 37% of our UC clients.

*Figure 7: Proportion of people seeking support from Citizens Advice with UC or sanctions, by household type, 1 June 2022 to 31 May 2023*



Source: Citizens Advice casebook data

Having children or other caring responsibilities also matters. Our polling data shows that people with caring responsibilities are overrepresented among those who'd been sanctioned. 66% of the people who were sanctioned in the last 6 months had caring responsibilities, compared to just 32% of everyone who received UC.

## Lack of work coach support

Many of the people we help tell us their work coaches aren't understanding or lenient when they have personal difficulties that affect their ability to meet their commitments. For example, people are often sanctioned when they miss a work coach meeting due to being unwell or having caring responsibilities. Even in cases where claimants contact their work coach in advance to let them know they aren't able to attend a meeting, we find that they are still at risk of being sanctioned.

Karolina\* lives with her two daughters in the South East of England. She doesn't work and receives Universal Credit. One of her children was hospitalised with covid-19, so she couldn't attend an appointment with her work coach. Karolina let the DWP know 2 days in advance but was told this wasn't an acceptable reason for missing an appointment. As a result, she was sanctioned and her Universal Credit was stopped for 2 weeks. Our advisers explained how to challenge the decision. In the meantime, she was worried about paying her upcoming bills and covering the cost of school uniforms for her daughters. She also needed a food bank and Household Support Fund referral to help cover the cost of food for her family.

\*All names have been changed

## Communication issues

Some of our clients also experience a lack of support from work coaches when they face issues with communication. Some struggle to understand their work coaches or DWP letters due to having learning difficulties or a language barrier. One person told us he can't access his UC account to update his phone number as the translation service doesn't work when he asks for it. Literacy levels aren't always taken into account - some of our clients who are illiterate are sent key information via text messages and letters that they can't read.

It is DWP policy for appropriate services, such as translation, to be put in place and not providing these services could breach the Equality Act in some cases. Yet, we still find that some people aren't adequately supported. This puts people

at risk of sanctions, as they fail to meet their conditions because they are either unaware of them or don't understand them.

Aseem\* lives in London and claims Universal Credit. He came to Citizens Advice after his payments were reduced by more than £200 a month. He can't speak or understand English and has no access to the internet. When he applied for Universal Credit, Jobcentre staff helped him to apply, but he didn't understand how to access his account. He hasn't been engaging with the Jobcentre as he isn't able to understand its communications. Our adviser contacted the Jobcentre and found out that Aseem had been sanctioned for missing an appointment and was due to not receive any Universal Credit at all. Without significant support, Aseem will continue to struggle to fulfil his requirements without being sanctioned again. He has already accumulated rent and Council Tax debt and is relying on food banks to eat.

## Guilty until proven innocent

Our data shows that work coaches are often quick to apply sanctions before the client has had an opportunity to explain why they haven't met their conditions. Currently, guidance for DWP staff says:

*[Decision Makers] should give the claimant sufficient time to comment and to provide evidence appropriate to the particular circumstances of the failure. This should be flexible to reflect an individual's circumstances.<sup>23</sup>*

However, our evidence suggests that sanction decisions are often taken without consulting the claimant. This 'guilty until proven innocent' approach causes unnecessary stress because people face hardship and worry when they feel they have a good reason for their actions.

We often hear from people who have missed meetings with their work coaches for unavoidable reasons. These include caring for ill family members, attending funerals, experiencing domestic violence and mental health crises. When issues arise unexpectedly, it can be difficult for claimants to contact their work coach

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<sup>23</sup> Department for Work and Pensions. 2013. Advice for decision making: staff guide. Chapter K2: Good reason. See: <https://www.gov.uk/government/publications/advice-for-decision-making-staff-guide>



before the appointment. However, many find that they are sanctioned before they have a chance to explain.

Stuart\* lives alone in South Wales and claims Universal Credit. He realised he would miss an appointment with his work coach due to a health issue and submitted a fit note 2 days in advance. Despite this, Stuart was sanctioned £320 for non-attendance. As a result, he fell behind on paying his rent and couldn't afford the basic essentials like food, gas and electricity. He has challenged the sanction and is awaiting the outcome of his challenge. He's now relying on food banks and fuel vouchers to get by.

# Sanctions causing hardship

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## Financial hardship

The people we help often tell us about financial hardship that is caused or made worse by sanctions. Many are left with little to no income and are forced to turn to food banks and charities to access essentials like food.

Our polling data paints a stark picture of the financial situation of people who have been sanctioned. 94% of people who have been sanctioned in the last 6 months have had to cut back, borrow money, seek crisis support and/or go without essentials. 94% are already behind on at least one bill, compared to 54% of all people who receive UC.

Unsurprisingly, there are also higher debt levels among people who are sanctioned. 80% of people sanctioned in the last 6 months are in debt compared to 47% of all people on UC.

People who have been sanctioned are very worried about their financial situation. They are significantly more likely to say they are worried about affording a range of expenses, including rent, water bills, childcare and debt repayments, than people on UC generally.

Michael\* claims Universal Credit and has been homeless since the breakdown of his relationship. Until recently he was sleeping in his car, but his car broke down when he was away from his hometown. As a result he missed a Jobcentre appointment and couldn't inform his work coach of the situation because he relied on his car to charge his phone. Michael was sanctioned for missing his appointment.

Michael was left with no money and when he came to see us he hadn't eaten in a long time. He required a foodbank voucher and needed something in his parcel that he could eat straight away, as he was very hungry. He told us that he feels he has been "left to die".

One of the consequences for many people is that sanctions create a cycle of financial difficulty. Those who are sanctioned are often already facing hardship, due to pre-existing debts or housing issues, or simply because their benefit

payments don't cover their costs. These challenges can put people more at risk of being sanctioned. When they are sanctioned, their reduced income can exacerbate the financial challenges they face and increase the risk of further sanctions.

## **Our debt advice data**

The data from our budget planning service is useful in identifying the financial impact of UC and sanctions on the people we help. Our data shows that our debt advice clients on UC are on average in a negative budget, which means their outgoings exceed their incomes.

For those who come to us for help with sanctions, the situation is even worse. The median income for people who have been sanctioned is £132 lower than for people on UC in general. They also have a larger budget shortfall, so many of our sanctions clients are living on empty.

## **Hardship payments**

Many people who are sanctioned are eligible for a hardship payment, which covers 60% of the amount lost through the sanction. The payment is intended to support those who can't afford their rent, heating, food or hygiene needs due to a sanction. This payment is a loan, which means it must be repaid once the sanction has ended.

This money is a welcome support for many people, who would otherwise lack the funds to meet their basic needs. However, for some, the cost of repaying the loan discourages them from applying, as they have concerns about the impact of extending the period over which they have a reduced income. The loan can also mean taking on additional debt when people often already have deductions from their UC due to things like rent and energy arrears.

We also see people who struggle to access hardship loans either because they are turned down or because of delays to decision making. For example, one person found out their request for a hardship payment wasn't logged, which left them without food or electricity while they waited for a decision that wasn't coming. Among those we help, a common reason for not receiving a hardship payment is a lack of response from DWP.

Simon\* lives alone in the East Midlands. He was sanctioned for missing an appointment with his work coach, despite providing notice that he was struggling with grief following the deaths of two close family members. When requested, he provided a fit note from his GP, but the sanction wasn't reviewed despite being informed by his work coach that it would be.

Due to the financial strain of his sanction, Simon applied for a hardship payment but had to wait nearly 2 weeks for a decision. As a result, he had to rely on food banks and fell into debt with his energy suppliers. He hasn't been able to credit his prepayment metre and his health has been impacted by a cold home.

## Housing issues

Sanctions can reduce people's ability to cover their housing costs and even put them at greater risk of homelessness. Our polling shows that 75% of people who were sanctioned in the last 6 months are worried about being able to afford their rent compared to 45% of all people on UC. When sanctioned, UC recipients are significantly more likely to be behind on rent (at 58% vs 18% of all UC recipients) and to borrow money to cover their rent (60% compared to 18% of all UC recipients).

Prakash\* lives in the North East of England and received Universal Credit. He was sanctioned for 3 months for not following the to do list on his Universal Credit account. He hadn't been able to add to his journal because he has no access to a computer. As a result of his loss of income, he was 3 months behind on rent and has been evicted from his home of 5 years. He has no food and has had to rely on his neighbour to eat.

## Health issues

People we help frequently tell us that sanctions exacerbate their health issues. The impact on people's mental health is particularly stark, as the loss of income from sanctions and resulting financial hardship can both cause and exacerbate mental distress.

The impact of sanctions on health can be cyclical, as people often tell us they have received sanctions because their health issues made it difficult to meet the conditions of their UC. The loss of income can in turn cause their mental and/or physical health to deteriorate further if they are then faced with a lack of food, heating or electricity, as well as additional anxiety over their finances. The result can then be further risk of sanction as people become less able to meet their benefits commitments.

Amanda\* is a single mum who lives in Wales and claims Universal Credit. She was sanctioned for missing telephone appointments with her work coach, despite informing them that her phone was broken. Her work coach had assured her she wouldn't experience repercussions from her broken phone. She appealed the sanction a month before but was still waiting for a response when she came to us for help.

Amanda was facing financial hardship caused by the sanction so came to us for fuel vouchers. She couldn't afford basic utilities like gas and electricity and was struggling to maintain self care and cook food. She was concerned about the impact this would have on her health. Her financial situation was causing stress and anxiety.

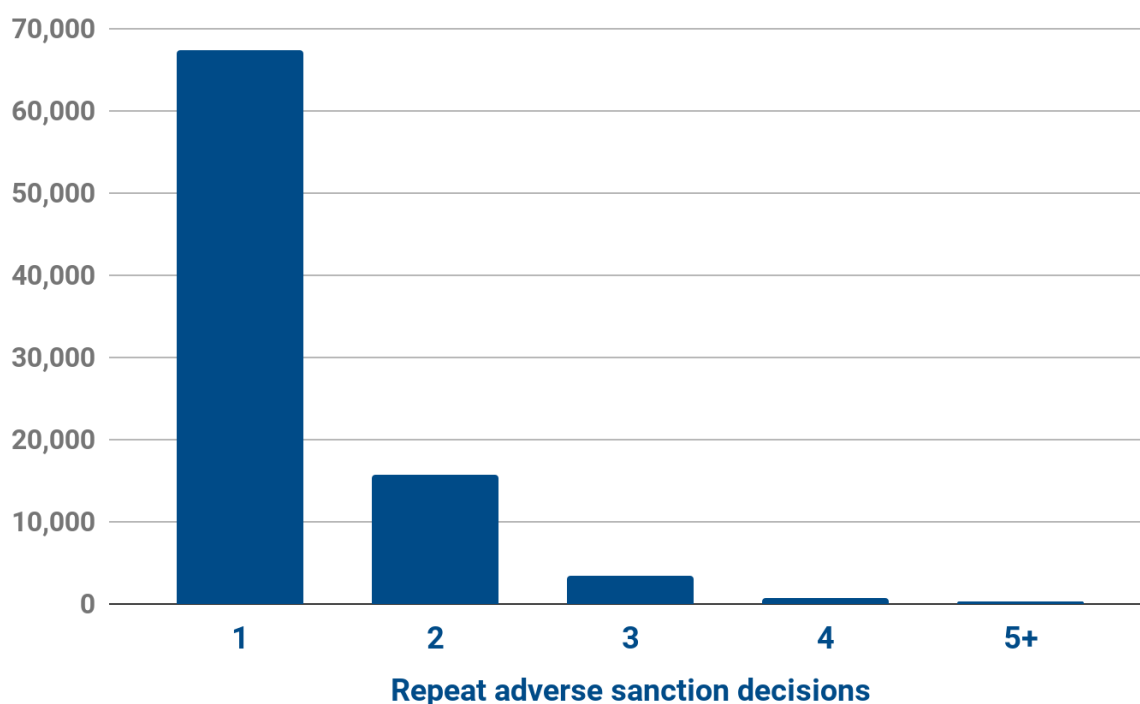
# Are sanctions working?

## Repeat sanctions

One indicator of the effectiveness of sanctions is whether they work as an incentive to follow the claimant commitment. To put this differently, if claimants are sanctioned repeatedly, this is likely to be a sign that sanctions aren't working.

As shown in figure 8, between 1 February 2022 and 31 January 2023, nearly 88,000 people received more than one sanction. The majority of these (over 67,000 people) were sanctioned twice, but nearly 16,000 were sanctioned 3 times.

Figure 8: Individuals receiving repeat adverse sanction decisions, 1 Feb 2022 to 31 Jan 2023



Source: DWP<sup>24</sup>

This suggests that for a large minority of people, sanctions don't act as an effective incentive to follow work search commitments. As we explore below, in

<sup>24</sup> Department for Work and Pensions (2023). Benefit sanctions statistics. See: <https://www.gov.uk/government/collections/jobseekers-allowance-sanctions>

many cases this is likely to be because sanctions aren't meaningfully targeted at work search behaviour.

## Sanctions are often applied unfairly

Another indicator of the effectiveness of sanctions is whether they are targeted effectively at incentivising work search behaviours. The government argues that “the sanctions system in the UK is clear, fair and effective in promoting positive behaviours to help claimants into work.”<sup>25</sup> However, our data shows that people are often sanctioned for issues that are out of their control.

### Connectivity issues

A common theme in our data is that people miss appointments or are unable to complete their journal due to issues with their phone or internet connection. One person told us that they got cut off at the start of a telephone appointment and couldn't phone their work coach back as the number was withheld. They were then sanctioned despite physically attending the Jobcentre the next day to explain what had happened.

A number of people tell us that they've been sanctioned as a result of not having a phone or their phone breaking or being stolen. This can cause people to be reliant on using phone boxes or for friends or family to access their account for them. Some can't afford a phone or internet access due to living on low incomes and sanctions can reinforce a cycle of financial hardship and poor connectivity.

Homelessness can also create challenges for UC claimants that put them at greater risk of sanctions. For many, having a consistent place of residence is important for regular access to postal, phone and internet services.

Poor digital literacy and lack of internet access are significant challenges for many people. Requests for communication via post aren't always followed and there is no statutory requirement for the DWP to provide postal communication. However, this lack of accommodation puts people at greater risk of failing to meet their conditions.

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<sup>25</sup> House of Commons Library. 2022. Department for Work and Pensions policy on benefit sanctions. See: <https://commonslibrary.parliament.uk/research-briefings/cdp-2022-0230/>

Joe\* lives in London, claims Universal Credit and is being reviewed for LCWRA. Due to previous housing issues, he is in significant council tax and rent arrears. His financial situation means he has very limited access to wifi and can't check his journal easily.

He was sanctioned twice for not attending work coach appointments that he was unaware of, as he hadn't been able to check his journal. Joe appealed the decision the first time and the sanction was overturned, however the second time his appeal was rejected. His sanction remained in place until he attended a new appointment. However, his work coach was too busy to call at the time of his next appointment, which extended his sanction. His work coach then failed to call at the rearranged time a week later. Joe was sanctioned once again for missing the second appointment, despite not receiving the call.

The sanctions left Joe with £83 to live on for a month and no certainty as to when his Universal Credit would be restored. This made his financial situation more precarious and caused additional emotional distress on top of pre-existing mental health issues.

## **DWP errors**

Sanctions are sometimes the result of errors by the DWP. Errors include people being sanctioned for failing to attend meetings or interviews when work coaches haven't called, calls have been cut off or even when they have attended.

We have seen issues around the claimant commitment, where people are sanctioned for not completing activities that aren't in their claimant commitment, including when they have no mandatory activities at all.

Valid medical evidence or reports of changes of circumstances are sometimes lost or overlooked. Communications are also sometimes missed by claimants, because the DWP has used the wrong contact information.

Lesley\* lives with her partner and children and receives Universal Credit. She recently attended an interview at the Jobcentre as required but later saw a message in her journal stating she had failed to attend. She contacted the DWP and confirmed that she had attended. The DWP agreed and updated her



journal to confirm. However, when she received her next payment, there was a deduction of nearly £300.

Lesley contacted the DWP who couldn't confirm the reason for the sanction. When she came to see us she was waiting to hear back from them with more information. The sanction put her in a very tough financial position and she was worried about coping until her next payment comes through.

## Transport costs

People often tell us they can't afford to travel to their Jobcentre and are sanctioned because they miss appointments. In these cases, people are being sanctioned for having a low income, rather than for a lack of willingness to search for work.

Our polling shows that 71% of people who've been sanctioned in the last 6 months are worried about being able to afford their transport costs compared to 43% of all people who receive UC.

Transport issues are an important example of the cyclical nature of sanctions. Reduced income from sanctions sometimes means people can't pay for their transport in the future, meaning they are at risk of missing more appointments.

Brendan\* lives alone in the North East of England. He's currently unemployed and receiving Universal Credit. He came to Citizens Advice after being repeatedly sanctioned for missing appointments at the Jobcentre. He was struggling to afford the bus fare to the Jobcentre. Each time he missed an appointment and was sanctioned, his income was reduced for the next month which made it harder to afford the transport costs.

The repeated sanctions created a snowball effect and last month he only received £30. When he came to see us Brendan was very distressed and struggling to know how to manage his finances. He could have applied for a hardship payment, but this would have put him into debt and reduced his ongoing monthly entitlement even further.

Homelessness can make these problems worse, as people who are sofa surfing have to pay to travel between the homes of friends and family. This can make it

difficult to pay for travel to the Jobcentre, particularly if they have had to travel to stay somewhere far away.

Financial support with travel costs isn't available to claimants. Work coach guidance explicitly states that the Flexible Support Fund can't be used to cover travel to fortnightly work search meetings.<sup>26</sup>

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<sup>26</sup> House of Commons Library. 2016. Jobcentre Plus Flexible Support Fund. See: <https://commonslibrary.parliament.uk/research-briefings/sn06079/>

# What next

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Among the people we help, we see sanctions trapping people in hardship, where those who are already on very low incomes can no longer make ends meet and have to turn to charities for help in getting by. This can exacerbate the challenges people face that put them at risk of sanctions in the first place, creating a cycle of failing to meet work search commitments. For some, sanctions are applied in error or due to unduly harsh decision making, punishing them for reasons that were out of their control.

As the DWP moves to increase conditionality and work coach discretion, it is more important than ever that there is clear, reliable data on how sanctions are being applied. As a basic first step, **we are calling on the DWP to publish more demographic data on UC claimants, especially those subject to sanctions.**

Specifically, intersectional data showing ethnicity, household type, caring responsibilities and disabilities is needed. This is crucial to understand what issues there are in UC conditionality, how claimants can be better supported to meet their conditions and to ensure there is fairness in how sanctions are applied and who they are applied to.

To ease the burden of sanctions now, **the DWP should ensure that claimants and DWP staff are aware of claimants' right to submit evidence before a sanction is applied.** Currently, DWP guidance says that claimants should be given "sufficient time to comment and to provide evidence".<sup>27</sup> DWP should specify a minimum time period in which claimants can supply evidence. Ensuring staff follow this guidance consistently would also allow claimants to address DWP errors before they experience any loss of income. Doing so would reduce the financial burden of sanctions being applied in error and reduce the need for hardship support from the DWP and local authorities.

Longer term, significant changes are needed to the way sanctions are applied in UC. Too often people are being sanctioned for reasons related to being on a low income. The frequency of repeat sanctions suggests they are often ineffective. At Citizens Advice we'll be developing a workstream to explore alternative approaches to supporting people into work, taking as our starting point the

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<sup>27</sup> Department for Work and Pensions. 2013. Advice for decision making: staff guide. Chapter K2: Good reason. See: <https://www.gov.uk/government/publications/advice-for-decision-making-staff-guide>

effectiveness of any intervention. Sanctions are taking money away from households that have none to spare while pushing them further away from work. Clearly, things need to change.

# Appendix

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## Disability estimates

The DWP does not publish disability data on UC claimants, but we can assume that all of those who have LCW or LCWRA elements of UC are disabled or have a long term health condition.

In February, of the 4.5 million UC households, 1.1 million included one or more claimants who were assessed to have LCWRA, which means they were not subject to conditionality. Just over 24,500 had LCW and would likely be in the 'planning for work' or 'preparing for work' groups, meaning they would be subject to limited conditions.

According to our analysis of the Family Resources Survey (FRS),<sup>28</sup> 45% of UC households<sup>29</sup> without either of the limited capability for work elements include at least one person who is disabled or has a long term health condition.<sup>30</sup> This amounts to over 1.5 million households.

Based on these figures, we estimate that nearly 2.9 million households on UC include claimants who are disabled or have a long term health condition, which amounts to 59% of all UC households. 53% of the people we help with UC are disabled or have a long term health condition, which suggests that they are slightly underrepresented in our data.

Based on this, we would expect the proportion of disabled people we help with sanctions to be roughly in line with, or lower than, the proportion of disabled people who are subject to sanctions. LCW and LCWRA recipients have limited or no conditionality, so are at low risk of sanctions. As explained above, FRS data suggests that 45% of people who receive UC without the LCW or LCWRA elements (meaning they're in regimes that can be sanctioned) are disabled. We therefore use this figure as a point of comparison with the 53% of people we help with sanctions who are disabled or have a long term health condition.

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<sup>28</sup> Department for Work and Pensions. 2023. Family Resources Survey. See: <https://www.gov.uk/government/collections/family-resources-survey--2>

<sup>29</sup> Referred to as 'benefits units' in the Family Resources Survey

<sup>30</sup> The FRS uses the definition of disability set out in section 6 of the Equality Act 2010, which says you're disabled if you have a physical or mental impairment that has a substantial and long-term adverse effect on your ability to carry out normal day-to-day activities.

# Citizens Advice helps people find a way forward.

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We value diversity, champion equality, and challenge discrimination and harassment.

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