

GENERAL SYNOD

Impact of Sanctions on Benefit Claimants

A Background Paper from the Mission and Public Affairs Council

1. This motion highlights a number of concerns with the operation of the benefit sanctions regime and (a) asks the Mission & Public Affairs Council to evaluate, with others, the impact on claimants and (b) calls on the Government to implement recommendations (58-63) in the Feeding Britain report.

Policy background:

2. The purpose of the conditionality system is to encourage claimants to meet the reasonable requirements designed to help them to seek employment or take steps to move closer to work. The Welfare Reform Act in 2012 introduced a tougher regime, including longer sanction periods for more severe or multiple non-compliance, and reduced discretion for decision-makers. The total number of sanctions applied to jobseekers first increased dramatically from 650,457 in 2011 to 899,364 in 2013, and then declined to 595,414 in 2014 (and 414,332 in the year to June 2015). The increase over the first two years was not proportionate to the increase in the claimant count, indicating that changes in implementation were leading to an increase in the numbers of people found not to have complied with the rules. This was accompanied by a sharp rise in the number of hardship payments to sanctioned claimants who were at risk of destitution.
3. The Government's own review of sanctions ("Oakley Review"), which reported in July 2014, focused on issues around information and communication for Jobseekers on mandatory employment programmes (for example, the wording and timing of letters to sanctioned claimants), all of which were accepted by government. Critics argued that the Review's remit was too narrow and failed to address issues around hardship, proportionality, fairness, implementation and effectiveness.
4. The All Party Parliamentary Group (APPG) on Hunger has published a series of reports on food poverty, most recently in December 2015, which argue that there is a link between the use of sanctions and the demand for food banks¹. Whilst broadly supporting the logic underpinning the use of sanctions – that it is somebody's duty to look for work while they draw benefit – the Feeding Britain reports highlight concerns about the occasionally arbitrary application of sanctions. Examples include claimants being sanctioned for missing appointments because they were having a miscarriage, visiting a severely ill parent, or

¹ 'A route map to ending hunger as we know it in the United Kingdom, Feeding Britain 2015-16' (Dec 2015), report by the All-Party Parliamentary Group on Hunger

because the appointment letter was sent to the wrong address. Their recommendations to reduce the hardship created by sanctions are listed in the paper supporting the motion.

5. The Government's latest proposals (published in October 2015) are set out in its response to the Work and Pensions Select Committee report on sanctions². In this, the Government announced that it will trial arrangements whereby sanctioned claimants will be given a 14-day window to provide a justifiable reason for failing to comply with the terms of their claimant commitment (although this falls short of demands for a Yellow Card system whereby claimants would be warned or given a non-financial penalty for their first failure to comply). The Government also accepted that the requirements on vulnerable claimants should be tailored to their circumstances and is drawing up guidance to assist Jobcentre staff (although concerns remain about the suitability of sanctions for very vulnerable clients with serious mental health or drug/alcohol problems). The Government did not accept the need for an independent review of benefit conditionality and sanctions or for the need to monitor the outcomes (including in some cases, deaths) of sanctioned claimants.

Church of England response:

6. The Mission & Public Affairs team has focused its efforts on investigating the relationship between sanctions and the growth in food bank users. *Emergency Use Only*, a joint Church of England report with CPAG, Oxfam, and the Trussell Trust (published in November 2014), found that most food bank users were facing an immediate and acute financial crisis, and that in the majority of people this was linked to the operation of the benefits system³. Other than benefit delays, sanctions was the most common problem identified by the food bank users we surveyed (in 20-30% of cases). The experience of participants interviewed for this research indicates that the current sanction regime can cause hardship and hunger, and is likely to have longer-term consequences on claimants, often exacerbating the barriers and difficulties they face (e.g. debt, mental health problems). Specific issues that emerged from the caseload analysis of sanctioned claimants at Tower Hamlets Foodbank included lack of clear information about sanctions, sanctions made in error or affecting vulnerable people with mental health problems, and particular difficulties arising from the impact of sanctions on Housing Benefit. Furthermore, many participants were not aware that they could apply for hardship payments, and even fewer had successfully applied for one.
7. Our report recommended that sanctions policy and practice be reformed to further clarify communications about sanctions; to mitigate the impact whilst a sanction is being reconsidered (including a 14-day period prior to a sanction being applied during which a

² 'Benefit Sanctions Beyond the Oakley Review: Government Response to the Committee's Fifth Report of Session 2014-15' (Oct 2015)

³ 'Emergency Use Only: Understanding and reducing the use of food banks in the UK' (Nov 2014), joint report by Child Poverty Action Group, Church of England, Oxfam GB and The Trussell Trust.

claimant would be able to challenge the decision); to implement a fix to ensure Housing Benefit is not affected by a sanction; and to improve access to hardship payments. Many of the report's recommendations were adopted in the original Feeding Britain report referred to in the motion (word-for-word in the case of recommendation 59). MPA and partner organisations arranged several meetings with DWP and with each of the major political parties to discuss the report's key recommendations.

8. In September 2015, MPA submitted a joint response (with Oxfam) to the DWP Select Committee inquiry into benefit delivery in which we-iterated the issues raised in the Emergency Use Only report and argued that sanctions practice should be reformed to mitigate the impact of potential errors by introducing a 14 day notice period for the claimant to submit an appeal and not suspending benefits while a sanction is being reconsidered.
9. More recently, the Church of England was part of a Feeding Britain Working Party on Benefit Administration, which published a report in December 2015⁴, monitoring progress in relation to the welfare-related recommendations in the Emergency Use Only and Feeding Britain reports. The evidence collected for this report suggests that more clients are now being assisted to apply for hardship payments, but that there is little evidence that communications about sanctions have significantly improved, with letters still not making it clear why individuals have been sanctioned, or when. MPA will continue to monitor the situation through its involvement in the Feeding Britain Working Party and other networks.
10. The Lords Spiritual have also raised the issue of sanctions in the House of Lords, most recently in November 2015 when the Archbishop of Canterbury asked the Minister to acknowledge the link between food bank use and changes to the benefits system and sanctions.⁵

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⁴ 'Evidence to the All-Party Parliamentary Group on Hunger' (Dec 2015), joint report by the Feeding Britain Working Party on Benefit Administration.

⁵ <http://churchinparliament.org/?s=sanctions>