

Debate Pack

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Department for Work and Pensions policy on benefit sanctions

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Summary

A Westminster Hall debate on the Department for Work and Pensions policy on benefit sanctions has been scheduled for 13 December 2022. The debate will be opened by Chris Stephens MP.

1

Background

A benefit sanction – withdrawal of benefit or a reduction in the amount of benefit paid for a certain period – may be imposed if a claimant is deemed not to have complied with a work-related condition for receiving the benefit in question. Benefit sanctions are not a new feature of the social security system, but major changes to the “conditionality” regimes for benefit claimants were introduced by the Coalition Government’s Welfare Reform Act 2012. The conditionality and sanction regimes for Jobseeker’s Allowance, Employment and Support Allowance, and Universal Credit claimants are now broadly aligned.

Claimants are placed in one of four conditionality groups depending on their circumstances: These are:

- No Work-Related Requirements
- Work Focused Interview only
- Work Preparation
- All Work-Related Requirements

Whether or not a person can be sanctioned, and for how long, depends on what they have done, or not done, in relation to their work-related requirements (which should be set out in their “claimant commitment”). A claimant may be able to avoid a sanction if they can show that they had “good reason” for their actions.

The sanctions regime features four levels of sanction: high, medium, low, and lowest. The type of sanction a claimant may receive will depend on the failure, their conditionality group, and the requirements placed on them as a result.

When a sanction is imposed, only the standard basic amounts for adults are affected, not amounts payable for other reasons (eg children, housing costs). In Universal Credit, this is usually the full amount of the standard allowance for a single person, or half the standard allowance if it is a couple claim. A lower rate of sanction may apply in certain situations.

A decision to impose a sanction can be challenged in the usual way, ie by requesting that the DWP undertakes a Mandatory Reconsideration of the decision. If the DWP upholds its decision, the claimant can then appeal to a First Tier Tribunal.

Sanctioned claimants may be able to receive reduced rate hardship payments, if they are in a “vulnerable group”. Hardship payments are not paid automatically, and claimants may need to justify their need for them on

an ongoing basis. Universal Credit claimants will usually have to repay any hardship payments they receive.

All work-related requirements for benefit claimants were suspended in response to the coronavirus pandemic at the end of March 2020. From 1 July 2020, the DWP began to reintroduce conditionality and sanctioning on a phased basis. The latest statistics show the number of sanctions imposed has increased rapidly since then. At August 2022, 6.4% of Universal Credit claimants subject to conditionality had a benefit sanction – more than twice the pre-pandemic rate.

The Government states that international evidence clearly shows that benefit regimes supported by conditionality reduce unemployment, and that the sanctions system in the UK is clear, fair and effective in promoting positive behaviours to help claimants into work.

Others question whether sanctions are in fact effective. In a report in 2018, the Work and Pensions Committee said that the evidence on the role of sanctions in achieving the goal of motivating people to engage with support and to take steps to move closer to work was “patchy”. The Committee also noted that sanctions, when applied inappropriately, can have a profoundly negative effect on people’s financial and personal wellbeing. For more on this, see section 1.3.

1.1 Current conditionality and sanctions regime

Legislative background

The key legislation covering benefits conditionality and sanctions is:

- Part 1 (sections 13-29) of the [Welfare Reform Act 2012 as amended](#)

The more detailed rules are set out in regulations:

- Part 8 (regulations 84-119) of the [Universal Credit Regulations 2013 \(SI 2013/376 as amended\)](#)
- For New Style Jobseeker’s Allowance (JSA), Parts 2 and 3 (regulations 4-30) of the [Jobseeker’s Allowance Regulations 2013 \(SI 2013/378 as amended\)](#)
- For New Style Employment and Support Allowance (ESA), Parts 7 and 8 (regulations 41-61) of the [Employment and Support Allowance Regulations 2013 \(SI 2013/379 as amended\)](#)

[“New Style” JSA](#) and [ESA](#) are the versions of contributory JSA and ESA for new claims following the introduction of Universal Credit.

In addition to the legislation, there is internal DWP guidance on the application of conditionality and sanctions. The key guidance which is publicly available is the DWP's [Advice for Decision Making](#) guidance.¹

The DWP's [Universal Credit guidance collection](#) also includes chapters on the claimant commitment, on work-related requirements, on labour market regimes, and on sanctions. Updated versions of the UC guidance are deposited in the Commons Library periodically, but are more easily accessed via the Rightsnet website.

Effect of the 2012 changes

The Coalition Government said that its Welfare Reform Bill would “lay the foundation for a clearer and stronger sanctions system that will act as a more effective deterrent to non-compliance.”²

The Welfare Act 2012 made changes in three main areas.

First, the 2012 Act extended the scope of conditionality and sanctions. While broadly speaking the same claimant groups were subject to conditionality as before, the legislation extended work-related requirements to certain groups, including single parents with younger children, and low-paid workers (to encourage them to take steps to increase their hours and earnings).

Second, the Act increased the length of sanctions for certain groups.

Third, the Act introduced the concept of escalating sanctions, with longer sanction periods for second and third sanctionable failures within a twelve-month period (although from November 2019 the maximum duration of a high-level sanction for a third sanctionable failure within twelve months was reduced from three years to six months. The then Secretary of State for Work and Pensions, Amber Rudd, had concluded that three-year sanctions, while rarely used, were “counter-productive and ultimately undermine our goal of supporting people into work”).³

Further information on the changes to conditionality and sanctions can be found in:

- Commons Library briefing CBP-7813, [Benefit Claimants Sanctions \(Required Assessment\) Bill 2016-17](#), 30 November 2016, section 1 and Appendix
- National Audit Office, [Benefit sanctions](#) (PDF), HC 628 2016-17, 30 November 2016, paras 1.11-1.13

¹ See chapters J1-J3, K1-K5, K8-K9, and L1

² DWP, [Conditionality, sanctions and hardship: Equality impact assessment \(PDF\)](#), October 2011, para 30

³ [HCWS1545, Labour Market Policy Update, 9 May 2019](#)

- Work and Pensions Committee, [Benefit sanctions](#) (PDF), HC 955 2017-19, 6 November 2018, section 2

Conditionality groups

What, if any, work-related requirements claimants are subject to will depend on their circumstances – for example, whether they have a disability or health condition, young children, or caring responsibilities. Claimants are placed in one of four conditionality groups depending on their circumstances. These are:

- No Work-Related Requirements
- Work-Focused Interview only
- Work Preparation
- All Work-Related Requirements

No Work-Related Requirements

People subject to no work-related requirements include, amongst others, those:

- Assessed as having a “limited capability for work-related activity” following a Work Capability Assessment (WCA)
- Lone parents and (in the case of couples) lead carers looking after a child under one
- Caring for a severely disabled person
- Over State Pension age
- In full time education
- On UC and earning more than a certain amount (their individual or household [Conditionality Earnings Threshold](#))

Work-Focused Interview only

Claimants expected to work in the future but are only expected to attend and participate in periodic work-focused interviews (WFIs). This includes:

- Lone parents and lead carers with a youngest child aged one
- Lead foster carers of children aged under 16⁴ and in some cases their partner carer

⁴ Up to 17 in some cases

Work Preparation

Claimants expected to work in the future, but not expected to look for work at this stage. This includes:

- Those assessed as having “limited capability for work” following a WCA
- Lone parents and lead carers with a youngest child aged two

All Work-Related Requirements

This group comprises jobseekers and those doing some work (but not earning enough to take them above their individual or household [Conditionality Earnings Threshold](#)), and who do not fall into one of the categories of person covered by the other conditionality groups (see above).

The All Work-Related Requirements group can be further broken down into two sub-groups:

- “Light touch”: Claimants with individual or household earnings above the [Administrative Earnings Threshold](#), but not enough to take them above the relevant individual or household Conditionality Earnings Threshold.
- “Intensive Work Search”: This group will be subject to a work search requirement and a work availability requirement. The DWP can also impose a work focused interview requirement or work preparation requirement, or both.

The Administrative Earnings Threshold (AET) has recently been increased, and is due to increase further in January 2023. This means that some claimants previously in the “Light touch” group will move to “Intensive Work Search”.

Claimants in the Light touch group are currently not subject to conditionality, but this is expected to change, starting from September 2023. For further information see “Recent and forthcoming changes” below.

Work-related requirements

While legislation sets out what types of requirements can and cannot be applied to a claimant, DWP guidance states that, within these parameters, the actual requirements imposed and the support available must be “flexible and tailored”.⁵ A person’s work-related requirements are set out in their “Claimant Commitment” – a “record of the responsibilities that [they] have accepted in return for receiving Universal Credit, and the consequences of not meeting them”.⁶ Claimant commitments should be “reviewed regularly to

⁵ DWP, [Labour Market regimes \(PDF\)](#), Universal Credit Guidance, v18.0, current October 2022

⁶ DWP, [Guidance: Universal Credit and your claimant commitment](#), updated 4 April 2022

ensure they are up to date and reflect the work-related requirements appropriate to their individual circumstances”.⁷

There are times where a claimant’s circumstances are such that all or some work-related requirements can be “switched-off” for a period of time because of, for example, ill health, bereavement, or domestic violence.⁸

The table below⁹ sets out the four main types of work-related requirements that can be imposed on claimants:

<p>Work focused interview requirements are for any or a combination of:</p> <ul style="list-style-type: none"> • assessing prospects for remaining in or finding paid work • coaching claimants to remain in or find work • identifying training or educational opportunities • determining whether a claimant is in gainful self-employment 	<p>Work availability requirements are:</p> <ul style="list-style-type: none"> • to ensure the claimant is available for work • able and willing to immediately take up paid work, more work or better paid work • able and willing to attend a job interview
<p>Work search requirements include:</p> <ul style="list-style-type: none"> • carrying out work searches • making job applications • creating and maintaining online job profiles • registering with employment agencies • obtaining references 	<p>Work preparation requirements include:</p> <ul style="list-style-type: none"> • attending a skills assessment • improving personal presentation • participating in an employment programme or training • creating a CV • developing a business plan • research child care provision and costs

Where a person is subject to work-related requirements, they are expected to undertake work-related activities for their expected number of hours each week. For claimants in the All Work-Related Requirements group, the default for “expected hours” is 35 hours a week, but the actual number of hours must be determined by their individual circumstances and their allocated conditionality regime. It can also be reduced to take into account any health conditions and caring responsibilities they might have, as well as other special circumstances.¹⁰

⁷ As above

⁸ See DWP, [Switching-off work availability and work-related activities \(PDF\)](#), Universal Credit Guidance, v18.0, current October 2022

⁹ From DWP, [Labour Market regimes \(PDF\)](#), Universal Credit Guidance, v18.0, current October 2022

¹⁰ See the Universal Credit Guidance chapters [Labour Market regimes \(PDF\)](#), v18.0; [Expected hours \(PDF\)](#), v5.0; [Work-related requirements for claimants with children \(PDF\)](#), v6.0 - all current October 2022

Sanction level, durations, and amounts

The table below¹¹ summarises the sanctions regime that applies to people claiming Universal Credit, New Style Jobseeker's Allowance, or New Style Employment and Support Allowance.

Universal Credit, New Style JSA, and New Style ESA sanctions

Level of sanction	Length of sanction		
	First failure	Second failure within a year	Third failure within a year
High level sanctions (UC and JSA only) <ul style="list-style-type: none"> Failing to apply for or to accept paid work Ceasing paid work or losing pay for specified reasons 	91 days	182 days	182 days
Medium level sanctions (UC and JSA only) <ul style="list-style-type: none"> Failing to be available for paid work or to take all reasonable action to get paid work 	28 days	91 days	91 days
Low level sanctions (UC, JSA and ESA) <ul style="list-style-type: none"> Failing to meet a Work-Focused Interview requirement (where other requirements also apply) Failing to comply with a requirement connected to a work-related requirement Failing to meet a work preparation requirement 	Until claimant complies, plus 7 days	Until claimant complies, plus 14 days	Until claimant complies, plus 28 days

¹¹ Drawing on the Child Poverty Action Group's Welfare benefits and tax credits handbook 2022/2023, Chapter 47, pp1059, 1072

<ul style="list-style-type: none"> Failing to take a particular action to get paid work (UC and JSA only) 			
Lowest level sanctions (UC and ESA only)			
<ul style="list-style-type: none"> Failing to meet a Work-Focused Interview requirement (where no other requirements apply) 	Until claimant complies	Until claimant complies	Until claimant complies

A full list of the sanctionable failures falling under each sanction level can be found on GOV.UK.¹²

When a sanction is imposed on a Universal Credit claimant, only the standard basic amounts for adults are affected, not amounts payable for other reasons (eg children or housing costs). Usually, the amount of the sanction is 100% of the standard allowance used to calculate the UC award for a single person, or half the standard allowance if it is a couple claim. A lower rate of sanction (40% of these amounts) will apply, however, if the person:

- has been given a lowest level sanction;
- is aged 16 or 17; or
- is responsible for a child under one, is pregnant and due to give birth within 11 weeks, or has had a baby in the last 15 weeks (people in these situations have no work-related requirements).

For further information see the Universal Credit Guidance chapter on [Sanctions \(PDF\)](#).¹³

Similar reductions apply to New Style ESA claimants subject to a sanction. For New Style JSA claimants, the sanction amount is the full rate of benefit.

Imposing a sanction

Decisions on whether to sanction a claimant are not made by Jobcentre Plus Work Coaches, but by DWP “Decision Makers.”

Where a Work Coach believes that a claimant has not fulfilled a work-related requirement, a "doubt" can be raised and referred to a Decision Maker (a "sanction referral"). The Work Coach should first make every effort to contact

¹² DWP, [Guidance: Universal Credit sanctions statistics: background information and methodology](#), updated 23 February 2021, Table 3

¹³ V25.0, current October 2022

to find out why they failed to meet their requirements, and if they had “good reason” for the failure.

Where the Work Coach concludes that the claimant did not have good reason for failing to meet the requirement, or if they do not hear from the claimant within five days of raising the doubt (seven days for ESA), they refer the case to a Decision Maker.

The Decision Maker should attempt to obtain evidence from the claimant, as well as from the Work Coach, and make a decision on whether to apply a sanction. The Decision Maker will weigh up all of the information and evidence presented to them, including the claimant’s reasons for failing to meet the requirements placed upon them, and make their decision based on the “balance of probabilities”. If the decision is to apply a sanction (adverse decision), the claimant is notified of the outcome in writing.

A sanction should not be imposed if the claimant had good reason for their actions. “Good reason” is not defined in regulations, but there is a substantial body of relevant case law on factors that may or may not be relevant. There is also detailed guidance on good reason in [chapter K2 of the DWP’s Advice for Decision Making \(ADM\) collection \(PDF\)](#).

Additional safeguards exist where a claimant has been identified as vulnerable or having complex needs. For further information see [paragraph K2051 onwards in chapter 2 of the ADM \(PDF\)](#), and pages 60-61 of Commons Library briefing CBP-8221, [Suicide prevention: Policy and strategy](#).

A claimant can challenge a decision to impose a sanction in the same way as other benefits decisions – ie by requesting that the DWP undertake a “Mandatory Reconsideration” of the decision, and then by a right of appeal to the First-Tier Tribunal. For further information see the Commons Library constituency casework page [Challenging benefits decisions](#).

Hardship payments

Hardship payments, made at a reduced rate compared to standard benefit levels, are available for some people who are subject to sanctions if they would otherwise experience hardship.

In the legacy benefits system claimants subject to a benefit sanction can qualify automatically for hardship payments if they are in a “vulnerable group”, but under Universal Credit there is no automatic entitlement to hardship payments and claimants must justify their need for them on an ongoing basis. Payments will only be made to those who cannot meet their most basic and essential needs (eg accommodation, heating, food or hygiene). Furthermore, hardship payments will be recovered from the claimant at a later date, by deductions from their ongoing UC award (although recovery may be suspended if the claimant finds work at or above their earnings threshold, and the outstanding amount written off if the work lasts more than six months).

For further information see:

- DWP, [Recoverable Hardship Payments \(PDF\)](#), Universal Credit Guidance¹⁴
- DWP, [Advice for Decision Making Chapter L1 – Hardship \(PDF\)](#)

Recent and forthcoming changes

Raising the Administrative Earnings Threshold

As explained above, claimants in the All Work-Related Requirements group with earnings above the Administrative Earnings Threshold (AET) are in the “Light Touch” regime, which means that they are not currently subject to conditionality (but see below for changes to be introduced from September 2023). Before 26 September 2022, the AET was set at the equivalent of nine hours’ work a week at the National Living Wage (NLW), but from that date it was increased to the equivalent of 12 hours’ work at the NLW. The DWP estimated that as a result an additional 114,000 UC claimants became subject to the “Intensive Work Search” regime.¹⁵

The Truss Government’s Growth Plan on 23 September 2022 announced a further increase in the AET to the equivalent of 15 hour’s work a week at the NLW, from January 2023. An additional 120,000 claimants will move from the Light Touch to the Intensive Work Search regime as a result and “will be expected actively to search for work and attend weekly or fortnightly appointments at a jobcentre in order to secure more or better paid work, or they could have their benefits reduced”.¹⁶ In his Autumn Statement on 17 November on behalf of the Sunak Government, the new Chancellor, Jeremy Hunt, confirmed that AET increase would go ahead as planned.¹⁷

In-work conditionality

The Chancellor’s Autumn Statement also announced that, “to help tackle the barriers to progression faced by individuals on lower earnings”, the Government would

...bring forward the nationwide rollout of the In-Work Progression Offer, announced at Spending Review 2021, starting with a phased rollout from September 2023, to support individuals on Universal Credit (UC) and in-work to increase their earnings and move off benefits entirely. This will mean that over 600,000 claimants on UC whose household income is typically between the equivalent of 15 and 35 hours a week at the NLW will be required to meet with a dedicated work coach in a Jobcentre Plus to increase their hours or earnings.¹⁸

¹⁴ V10.0, current October 2022

¹⁵ DWP, [Research and analysis: Numbers moved to Universal Credit’s Intensive Work Search Regime because of the increase in the Administrative Earnings Threshold](#), 5 August 2022

¹⁶ HM Treasury, [The Growth Plan 2022](#), CP 743, 23 September 2022, para 4.30

¹⁷ HM Treasury, [Autumn Statement 2022](#), CP 751, November 2022, para 3.7

¹⁸ HM Treasury, [Autumn Statement 2022](#), CP 751, para 5.11

This will extend in-work conditionality to UC claimants in the Light Touch regime.

Between April 2015 and March 2018, the DWP conducted an [In-Work Progression randomised controlled trial](#) to test the effectiveness of applying conditionality and more intensive Work Coach support to UC claimants in the Light Touch group. Results from the trial have been mixed. An evaluation published in September 2018 found no clear evidence of an impact on earnings or hours worked, other than a more positive impact on hours worked for participants who received frequent support compared with those who received moderate support.¹⁹ A follow-up study looking at the impacts of the trial after 78 weeks found a small positive earnings impact from more intensive Work Coach support.²⁰

Strengthening the sanctions regime

In the September 2022 Growth Plan, the then Chancellor, Kwasi Kwarteng, announced that alongside the changes to the Administrative Earnings Threshold, the Government intended to strengthen the Universal Credit sanctions regime. Paragraph 4.31 of the Growth Plan stated:

...the government will be strengthening the sanctions regime to set clear work expectations – including applying for jobs, attending interviews or increasing the hours – in return for receiving UC. Claimants who do not fulfil their job-search commitment without good reason could have their benefits reduced. These changes will apply across Great Britain. In line with usual practice, the government will work with the Northern Ireland Civil Service to determine the most suitable arrangements for Northern Ireland in due course.²¹

It is not clear whether these plans will be taken forward under the Sunak Government. There was no mention of strengthening the sanctions regime in the November 2022 Autumn Statement.

Further commentary on these and other developments [Benefits Sanction Statistics briefings](#) for August 2022 and November 2022 produced by Dr David Webster, Honorary Senior Research Fellow at the University of Glasgow.

1.2

Statistics

The chart below shows the monthly number of adverse sanction decisions for claimants of Jobseeker's Allowance (JSA), Employment and Support Allowance (ESA), Universal Credit (UC), and Income Support (IS). Income

¹⁹ DWP, [Universal Credit: In-Work Progression Randomised Controlled Trial: Impact Assessment \(PDF\)](#), Research Report 966, September 2018

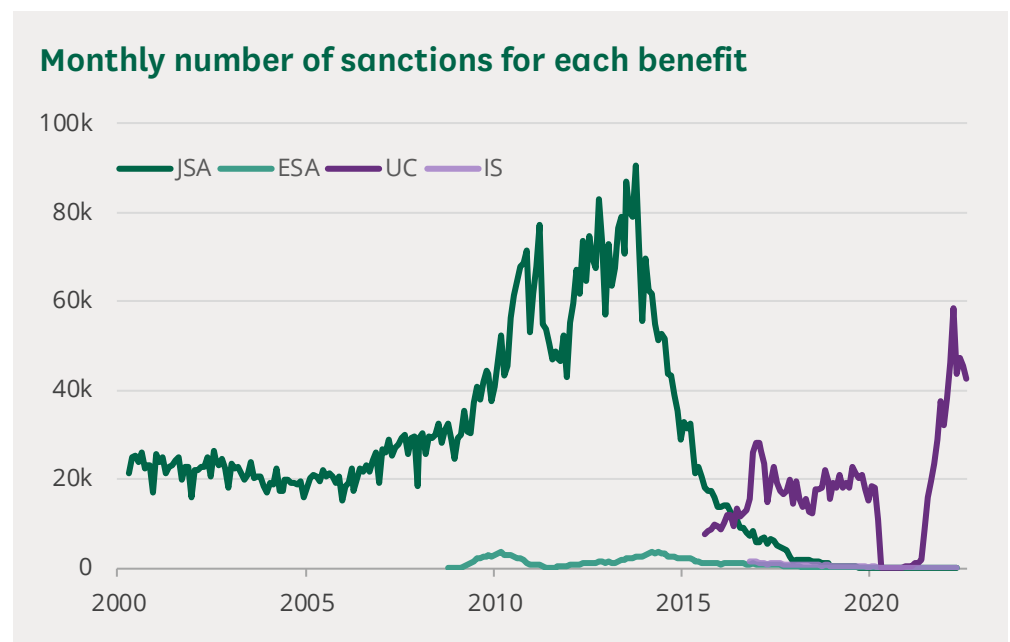
²⁰ DWP, [In-Work Progression Trial: Further Impact Assessment and Cost Benefit Analysis \(PDF\)](#), Ad hoc report 75, October 2019

²¹ HM Treasury, [The Growth Plan 2022](#), CP 743, 23 September 2022

Support sanctions are shown from October 2016 onwards only. Data for IS sanctions before October 2016 is only available for lone parents.

The number of JSA sanctions peaked between 2010 and 2014, before declining continuously (reflecting in part the roll out of Universal Credit).

Prior to the pandemic, the number of UC sanctions remained relatively stable, at around 20,000 a month. Following the gradual reintroduction of conditionality starting from April 2016, the number of UC sanctions has increased sharply, reaching a peak of 58,548 in March 2022 before falling back slightly.



Source: [DWP Stat-Xplore](#); DWP, [Benefit sanctions statistics to July 2022 \(experimental\)](#), 15 November 2022

The next chart shows the number of Universal Credit claimants with a sanction deduction, as a proportion of UC claimants subject to conditionality, from April 2019 to August 2022. Before the suspension of conditionality on 30 March 2020, the sanction rate for UC claimants was between 2.5% and 3%. Following the reintroduction of conditionality, the sanction rate increased sharply, reaching a peak of 6.53% in July 2022 before falling back to 6.37% in August 2022.

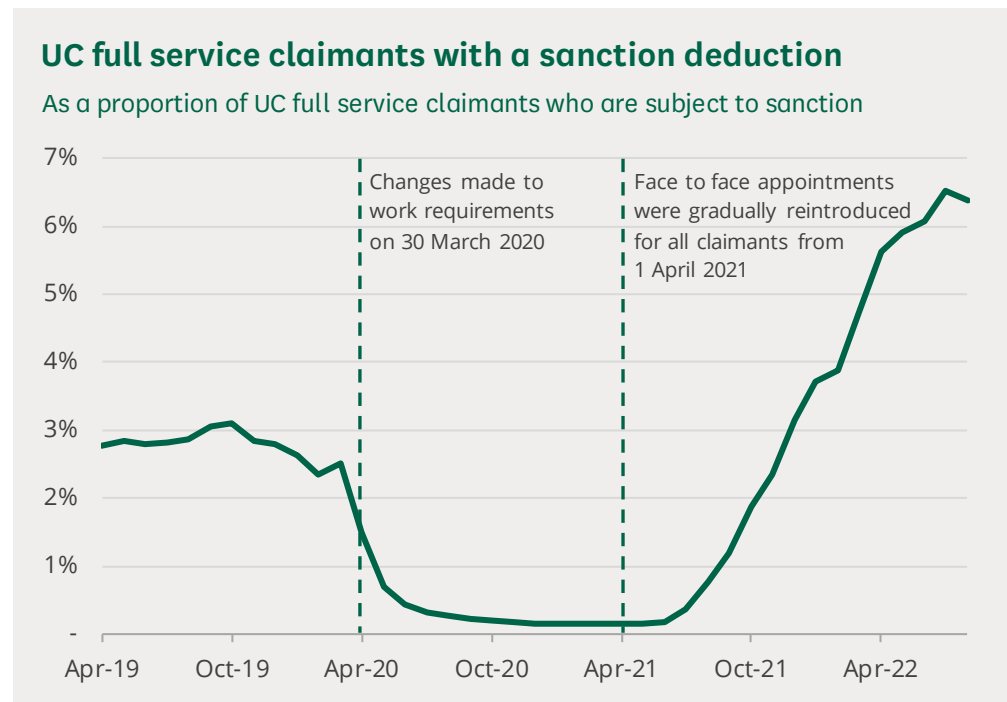
Of the 463,480 Universal Credit sanction decisions between August 2021 and July 2022, 457,510 (98.7%) were for “Failure to attend or participate in a Work-Focused Interview”.²² The sanctions expert Dr David Webster notes that this contrasts with the figures for the quarter ending in January 2020 (before the pandemic), when 87.5% of UC sanctions were for failures to attend or

²² DWP, [Benefit sanctions statistics to July 2022 \(experimental\)](#), 15 November 2022. For the quarter ending July 2022, 98.2% of sanctions were for failure to attend or participate in a WFI.

participate in a WFI. He states that the latest figures do “not seem to accurately reflect what is happening on the ground”, adding:

...it seems likely that the reason ‘Failure to attend or participate in a Work-Focused Interview’ is now being used to include cases where claimants have not done the work search or other activities required by their Work Coach.²³

Dr Webster notes however that recent figures on sanctions for reasons other than failure to attend interviews have increased slightly, and that the indicator may therefore be becoming “more realistic”.



Source: DWP, [Benefit sanctions statistics to July 2022 \(experimental\)](#), 15 November 2022

1.3 Research and reports

In the last decade, a large amount of research has been conducted or commissioned, and various reports published, about different aspects of the benefit sanctions regime.

Oakley review 2013

In 2013 the Coalition Government appointed an Independent Reviewer to look at the clarity of communications between Jobcentre Plus and claimants in relation to JSA conditionality and sanctions, the availability of hardship payments to those who are sanctioned, and the clarity of the review and

²³ David Webster, [Briefing: Benefit Sanctions Statistics](#), November 2022, p6

appeals process. The [report by the Independent Reviewer](#) – Matthew Oakley – was published in July 2014²⁴ and the Government said that it accepted, either fully or in principle, all of its 17 recommendations.²⁵ Some commentators questioned whether the Government’s response fully addresses the issues raised by the Oakley review.²⁶

Work and Pensions Committee report 2015

In March 2015 the Work and Pensions Committee published a report, [Benefit sanctions policy beyond the Oakley Review](#),²⁷ which recommended, among other things, that the Government take urgent steps implement fully the outstanding recommendations from the Oakley Report.

Other recommendations included:

- a series of evaluations to increase the evidence base around the efficacy and impacts of the new sanctions regime;
- better training for Jobcentre staff on the lone parent flexibilities;
- developing guidance to assist staff to identify vulnerable claimants and tailor conditionality according to the claimant’s individual circumstances, expediting the evaluation of the JSA “claimant commitment”, including a review of the appropriate use of jobseeker directions;
- a small-scale pilot to test the efficacy of a more targeted approach to sanctions based on “segmentation” of claimants by their attitudes and motivations; and
- a review of ESA sanctioning within the Work Programme.

The Committee also recommended changes to hardship provision, including making all hardship payments available from the start of sanctions periods, and putting the onus on the Department to initiate the hardship process for vulnerable claimants and those with children.

In its [response to the Committee](#) in October 2015,²⁸ the Government made a series of announcements including its intention to trial a warning system

²⁴ Matthew Oakley, [Independent review of the operation of Jobseeker’s Allowance sanctions validated by the Jobseekers Act 2013](#), 22 July 2014

²⁵ Department for Work and Pensions, [Government’s response to the Independent review of the operation of Jobseeker’s Allowance sanctions validated by the Jobseekers Act 2013](#), Cm 8904, July 2014

²⁶ See David Webster, [JSA Sanctions: A guide to the Oakley Report and the Government’s response](#), 14 September 2014

²⁷ Work and Pensions Committee, [Benefit sanctions policy beyond the Oakley review](#), HC 814 2014-15, 24 March 2015

²⁸ [Benefit Sanctions: Beyond the Oakley Review: Government Response to the Committee’s Fifth Report of Session 2014–15](#), HC 557 2015-16, 22 October 2015

whereby claimants would be given 14 days to provide evidence of “good reason” before imposition of a sanction; reintroducing automated JSA sanction notifications; new guidance to jobcentre plus staff to improve awareness of vulnerability and how conditionality can be varied; and changes to hardship provision including accepting in principle that payments should be available from day one, removing the necessity of a separate application process for vulnerable claimants and those with children, and extending the definition of groups considered “at risk” for hardship purposes to include homeless people and those with mental health conditions.

The Government did not, however, accept the Committee’s recommendation that it establish a “broad independent review of benefit conditionality and sanctions” to investigate whether sanctions are being applied “appropriately, fairly and proportionately, in accordance with the relevant Regulations and guidance.” Nor did it accept the Committee’s recommendation that it develop systems to track the short and long-term employment outcomes and earnings progress for sanctioned benefit claimants within Universal Credit.

In a commentary published on 4 November 2015, [Dr David Webster](#), an Honorary Senior Research Fellow in Urban Studies at the University of Glasgow and a critic of the Government’s benefits sanctions policy, said that the Government’s response to the Committee published on 22 October 2015 “does not acknowledge any of the fundamental problems of the sanctions system identified by the Work & Pensions Committee.”²⁹

National Audit Office report (2016)

The National Audit Office published a report, [Benefit sanctions](#), on 30 November 2016.³⁰ The report considered whether the DWP was achieving “value for money” in its administration of sanctions.

Its overall conclusion on value for money was that the DWP “had not used sanctions consistently”. It noted that referral rates varied substantially across jobcentres and providers and had risen and fallen over time in ways which could not be explained by changes in claimant compliance. It observed that the Department’s use of sanctions was linked “as much to management priorities and local staff discretion as it is to claimants’ behaviour”. It stated that while it was encouraged that the DWP had taken steps to improve its approach to sanctions in response to high error rates and other problems, it needed to do more. It therefore recommended the DWP carry out a “wide-ranging review of sanctions”, particularly as it introduced further changes to labour market support through Universal Credit.

The NAO report also found that while international studies showed people who receive sanctions are more likely to get work, the effect can be short-

²⁹ David Webster, [House of Commons Work and Pensions Committee report: Benefit Sanctions Policy beyond the Oakley Review: Briefing on the Government’s response](#), 4 November 2015

³⁰ National Audit Office, [Benefit Sanctions](#), HC 628 2016-17, 30 November 2016

lived, lead to lower wages, and increase the number of people moving off benefits into inactivity. The NAO also noted that DWP had not used its own data to evaluate the impact of sanctions, and recommended that the Department do more to understand sanctions outcomes.

Public Accounts Committee report (2017)

The NAO report was followed up by the Public Accounts Committee, which published its own report on [Benefit sanctions](#) on 21 February 2017.³¹ Echoing the findings of the NAO and others, the Committee concluded that there were “significant gaps” in DWP’s understanding of sanctions and their impact.

It recommended that the Department monitor variations in sanction referrals and assess reasons for the differences across jobcentres, and report back on the take-up of protections for vulnerable groups. It also urged the Department to make and report progress in improving data systems, including on linking earnings outcomes to sanctions data, and collaborate with others on work to estimate the impacts of sanctions on claimants and their wider costs to Government.

Welfare Conditionality Project (2018)

The [Welfare Conditionality Project](#) was a major five-year Economic and Social Research Council (ESRC)-funded research project undertaken by researchers from the universities of York, Glasgow, Sheffield, Salford, Sheffield Hallam, and Heriot Watt. It sought to examine the available evidence on the efficacy and ethicality of conditional forms of welfare; consider how effective welfare conditionality is at achieving and sustaining desired forms of behavioural change; what the impacts are; how different groups fare; and to what extent welfare conditionality can be morally justified.

Its [final report](#) (PDF) was published in July 2018. It concluded that welfare conditionality “is largely ineffective in facilitating people’s entry into or progression within the paid labour market over time”. On benefits sanctions specifically, it concluded they “do little to enhance people’s motivation to prepare for, seek, or enter paid work”. It found sanctions “routinely trigger profoundly negative personal, financial, health and behavioural outcomes and push some people away from collectivised welfare provisions”.

It therefore recommended that conditionality in the UK social security system should be “rebalanced”, and that the “current pre-occupation with sanctions backed compliance” should be “urgently reconsidered with more emphasis and resources focused on the provision of personalised employment support”. It also recommended, among other things, that there should be “a widespread review of the benefit sanctions system to reduce the severity of sanctions, introduce clear and adequate warnings, improve communication

³¹ Public Accounts Committee, [Benefits sanctions](#), HC 775. 21 February 2017

with recipients, and to ensure that sanctions are not applied to vulnerable people”.³²

Work and Pensions Committee report (2018)

In November 2018, the Work and Pensions Committee published a further [report on Benefit Sanctions](#). This was critical of the DWP’s sanctions policies, and their application. It found that evidence for the efficacy of sanctions in motivating people to take active steps to move closer to work was “patchy” and required further research.

In particular, it found that some claimant groups – such as single parents, care leavers, and people who health conditions or disabilities – are disproportionately vulnerable to and affected by sanctions. It also criticised the fact that a sanction incurred under one conditionality regime continues to apply even if the claimant’s circumstances change and they are no longer able, or required, to look for work. It said that in such circumstances the sanction serves “no purpose” and recommended they be cancelled.

It further criticised the fact that the decision to impose a sanction is made by an independent decision-maker “who has never met the claimant and who cannot be expected to understand fully the circumstances that led to them to fail to comply”. It therefore recommended that work coaches should be able recommend whether a sanction should be imposed.

It also called on the Government to evaluate the effectiveness of the reforms made as part of the Welfare Reform Act 2012.³³

The Government [responded](#) to this report and each of the Committee’s recommendations in January 2019. In particular, it agreed to “evaluate the effectiveness of reforms to welfare conditionality and sanctions” and said that this would focus on “whether the sanctions regime within Universal Credit (UC) is effective at supporting claimants to search for work”. It said that it would “look to publish its results in late Spring 2019”.³⁴

This did not happen, however. In July 2020 DWP Ministers were still saying the Department was committed to conducting this evaluation and that it would look to do so by the end of 2020.³⁵ In January 2022, however, the Guardian reported the DWP had refused an FOI request from Dr David Webster to release a copy of the evaluation,³⁶ and in February, DWP Minister Baroness Stedman-Scott told the House of Lords that the Department had not

³² Welfare Conditionality Project, [Final Findings Report](#), July 2018 (PDF)

³³ Work and Pensions Committee, [Benefit Sanctions, HC 955](#), 6 November 2018, passim

³⁴ Work and Pensions Committee, [Benefit sanctions: Government Response to the Committee’s Nineteenth Report of Session 2017-19, HC 1949](#), 11 February 2019

³⁵ [PQ 66870, 30 June 2020](#)

³⁶ [Report on effectiveness of benefit sanctions blocked by DWP](#), The Guardian, 27 January 2022

published its evaluation of the effectiveness of Universal Credit sanctions because it lacked 'robust legacy data'.

Let me go to the point about the publication of the evaluation and so on. We committed to using universal credit administrative data to look at the impact that a sanction has on an individual. However, durations could not be compared as we did not have robust legacy data and could not develop counterfactual information without legislative changes to allow for the testing of different approaches. Therefore, we were not able to do it and come up with a meaningful comparison.³⁷

Thérèse Coffey, the then Secretary of State for Work and Pensions, later clarified in response to questions from the Work and Pensions Committee, that the Department no longer planned to publish the report. She noted that it had been commissioned by a previous administration and explained:

The notion of a sanction acts not only through its imposition on a claimant but importantly also through its effect as a deterrent. Due to the way the report was commissioned, we were unable to assess the deterrent effect and therefore this research does not present a comprehensive picture of sanctions.³⁸

³⁷ [HL Deb 3 February 2022, c1013](#)

³⁸ [Letter from Secretary of State for Work and Pensions to the Work and Pensions Committee, 15 July 2022](#)

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Parliamentary material

Social Security Benefits: Disqualification

03 Nov 2022 | Written questions | Answered | House of Commons | 74764

Asked by: Maskell, Rachael

To ask the Secretary of State for Work and Pensions, how many and what proportion of people subject to a benefits sanction had a known (a) physical, (b) mental and (c) physical and mental disability in the last 12 months.

Answered by: Guy Opperman | Department for Work and Pensions

The department has not made any assessment of sanctioned claimants with a disability.

Claimants with severe mental health conditions are not subject to work-related requirements or sanctions. Claimants found to have limited capability for work and work-related activity are not subject to sanctions related to work search

Conditionality requirements are tailored to the claimant's circumstances, including any mental health conditions, so they are reasonable and achievable and are agreed between the claimant and their Work Coach.

People are only sanctioned if they fail to meet their requirements without good reason.

Social Security Benefits: Disqualification

08 Nov 2022 | Written questions | Answered | House of Commons | 74765

Asked by: Rachael Maskell

To ask the Secretary of State for Work and Pensions, what the average length of a benefits sanction has been in the last 12 months.

Answered by: Guy Opperman | Department for Work and Pensions

The information requested is not readily available and to provide it would incur disproportionate cost.

Social Security Benefits: Disqualification

27 Sep 2022 | Written questions | Answered | House of Commons | 49219

Asked by: Kate Osamor

To ask the Secretary of State for Work and Pensions, with reference to her Department's letter to the Chair of the Work and Pensions Committee dated 15 July 2022, for what reason her Department was unable to assess the deterrent

effect of benefit sanctions using the evaluation of benefit sanctions previously commissioned by her Department.

Answered by: Victoria Prentis | Department for Work and Pensions

We no longer plan to publish a report on the sanctions evaluation. This is because a sanction acts not only through its imposition on a claimant but importantly also through its effect as a deterrent. We were unable to assess the deterrent effect and therefore this research does not present a comprehensive picture of sanctions. The reason this analysis is unable to assess the deterrent effect is that all claimants in UC intensive regime are subject to mandatory conditions. Given this, it was not possible to assess the current system relative to a non-mandatory system.

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News articles

[Benefit sanctions soar to record high: new data reveals](#)

Public Law Project

18 August 2022

[Report on effectiveness of benefit sanctions blocked by DWP](#)

Guardian

27 January 2022

[Surge in young people seeing Universal Credit sanctions by DWP](#)

The National

17 November 2022

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Further information

[Benefit sanctions set to increase dramatically and unevenly across the UK](#)

Policy in Practice

[A survival guide to benefit sanctions](#)

Advice Now

[Threatening benefit sanctions isn't the way to help people with mental health problems into work](#)

Money and Mental Health Policy Institute

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