



Work and Pensions Select Committee

Sanctions Inquiry

Submission from Depaul UK

May 2018

About Depaul UK

1. Depaul UK works in some of the UK's most disadvantaged communities, preventing homelessness and providing support to vulnerable young people. Last year we provided services including emergency accommodation, longer-term housing and community outreach to over 3,000 young people. Our Nightstop network operates across the UK and we deliver many other services across London, the North East, Greater Manchester and South Yorkshire.
 2. Depaul UK are submitting evidence to this inquiry because young people we work with are often sanctioned. Sanctions can damage vulnerable young people's mental health, leave them without enough money to meet their essential living costs and make it harder for them to recover from homelessness.
 3. The recommendations we make in this submission would address these problems, we urge the Committee to adopt them.
 4. If you have any questions or would like more information on the information in this submission please contact Dan Dumoulin, Depaul UK's Policy and Public Affairs Manager: daniel.dumoulin@depaulcharity.org.uk; 07989 404363.
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Summary of Recommendations:

5. **Claimants who are sanctioned, especially young people, should have access to enough money to live on. Current minimum hardship payments, at around £35 a week, are inadequate and people's mental health is damaged as a result**
6. **Jobcentre staff should be trained to make better use of their existing discretionary powers**
7. **Requirements placed on vulnerable young people in Claimant Commitments should take their personal circumstances into account**
8. **The Government should evaluate its sanctions and conditionality policy. It should explore whether this could be done through a randomised control trial**
9. **Implementing these recommendations would reduce costs caused by sanctions to homelessness and other public services.**

Answers to questions:

Question: Is the current evidence base adequate and, if not, what further information, data and research are required?

10. **Recommendation: The Government should evaluate its sanctions and conditionality policy. It should explore whether this could be done through a randomised control trial**
11. There is evidence to suggest that sanctions do little to encourage people who are homeless to move into work.¹ There is also evidence, included in this submission, showing that sanctions cause harm to people who are homeless.²
12. Overall, however, the current evidence base is not adequate. The Government has not evaluated its sanctions and conditionality policy. An evaluation could allow the Government to assess the effects of the policy around encouraging people into work as well as the harm it causes including, for example, damage to vulnerable people's mental health.
13. The Government should explore whether a randomised control trial (RCT) evaluation of its conditionality and sanctions policy is possible. It is often said that this would require legislative change, but it may be possible to do an RCT without needing to change legislation.
14. Using new claimants, an RCT control group could enter the existing statutory benefits and conditionality system. A group subject to no conditionality could be asked not to make a claim for benefits. Instead, they could be paid equivalent amounts at equivalent times as to those that they would receive through the statutory benefits system. Such research would have to be accompanied by a robust ethical process and measures would have to be taken to ensure that the non-statutory group did not lose out, for example around National Insurance contributions.

Question: What improvements to sanctions policy could be made to achieve its objectives better?

15. The following recommendations, made elsewhere in this submission, would reduce the harm that sanction policy does to young people affected by homelessness:
 - People who are sanctioned, especially young people, should have access to enough money to live on. Current minimum hardship payments, at around £35 a week, are inadequate and people's mental health is damaged as a result

¹ Johnsen S., Watts, B., and Fitzpatrick, S. (2018) Welfare Conditionality: Sanctions, Support and Behaviour Change – Final findings: Homelessness <http://www.welfareconditionality.ac.uk/wp-content/uploads/2018/05/39273-Homelessness-web.pdf>

² Batty, E., Beatty, C., Casey, R., Foden, M., McCarthy, L. & Reeve, K. (2015) *Homeless people's experiences of welfare conditionality and benefit sanctions*. Crisis <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/benefits-and-employment/homeless-people-s-experiences-of-welfare-conditionality-and-benefit-sanctions-2015/>

- Jobcentre staff should be trained to make better use of their existing discretionary powers
- Requirements placed on vulnerable young people should take their personal circumstances into account

Question: Are levels of discretion afforded to jobcentre staff appropriate?

16. Recommendation: Jobcentre staff should be trained to make better use of their existing discretionary powers

17. As shown in our answer to question six, Jobcentre staff often fail to use their existing discretionary powers appropriately. Powers to create Claimant Commitments based on people's specific circumstance are often not used. Since 2014 Jobcentre staff have also been granted discretionary powers to temporarily turn off conditionality for some people who are homeless, referred to as 'the easement'. A recent study recommended that DWP staff should be better trained in its application.³

18. The appropriate use of discretion relies on staff being able to engage with claimants to find out about the challenges they face and how they could best be helped to get into work. Jobcentre advisors, however, often find it hard to communicate with the young vulnerable people we work with.

Question: Are adequate protections in place for vulnerable claimants?

19. The experiences of the young people Depaul UK works with show that adequate protections are clearly not in place for vulnerable claimants.

20. Recommendation: Claimants who are sanctioned, especially young people, should have access to enough money to live on. Current minimum hardship payments, at around £35 a week, are inadequate and people's mental health is damaged as a result

21. Depaul works with 16-25 year olds who are entitled to a lower rate of JSA/UC standard allowance. This rate is around £58 a week, which is extremely challenging to live on. When young people on these benefits are sanctioned they can instead access hardship payments equivalent to only around £35 a week. It is impossible to buy sufficient food, pay for transport – for example to the Jobcentre, in order to avoid more sanctions - toiletries, essential clothing and utility bills on this amount.

22. Young, vulnerable people using Depaul UK's services are therefore forced to rely on food banks, other handouts, begging, loans or illegal activity to survive when they are sanctioned. If they are claiming UC then they have to repay these loans from future benefit payments, prolonging the amount of time that they are under extreme financial pressure.

³ Johnsen S., Watts, B., and Fitzpatrick, S. (2018) Welfare Conditionality: Sanctions, Support and Behaviour Change – Final findings: Homelessness <http://www.welfareconditionality.ac.uk/wp-content/uploads/2018/05/39273-Homelessness-web.pdf>

23. The punitive financial aspects of sanctioning increase levels of anxiety, particularly among young people who have existing mental health issues and who are trying to deal with the challenge of becoming homeless at a young age.⁴ They also make it more difficult to meet costs associated with moving out of homelessness, such as buying furnishings.
- 24. Recommendation: Requirements placed on vulnerable young people in Claimant Commitments should take their personal circumstances into account**
25. Young people we work with often sign up to Claimant Commitments that appear to be generic and do not take their personal circumstances into account. For example, we find that young homeless people have committed to spend considerable amounts of time online using Universal Jobmatch despite having very limited access to the internet. It is also common, as in Emma's case, for young people to be placed in the wrong work-related activity group.
26. Looked-after children can find it particularly difficult to meet benefit conditions when they turn eighteen. Children's services payments paid up until claimants' eighteenth birthday do not have similar conditions attached.
27. The case study below is illustrative of issues that sanctions cause for young people we work with. Our most recent data, from 2016, shows that around one in five (18 per cent) were sanctioned over a twelve month period.

28. Emma⁵ was 18 and living in a Depaul UK project when she started to claim Universal Credit. She moved in to Depaul UK's supported housing after approaching the council as homeless. Her mother has severe substance abuse problems and she couldn't stay with anyone else in her family. Emma is receiving counselling and takes medication for depression and anxiety.
29. Emma was placed in the all work related requirement group. The jobcentre adviser who placed her in this group did not engage with Emma about the issues that she was facing and the Claimant Commitment she signed set requirements that were unrealistic. She was unable to meet these requirements; she did not attend appointments and did not know how to use Universal Jobmatch. Emma was sanctioned soon after opening her claim.
30. Emma was left with around £150 a month to meet all costs apart from her rent. She could not afford to feed herself and so used foodbanks. Depaul UK paid for her travel to doctor's appointments.
31. A Depaul UK member of staff accompanied Emma to the jobcentre and while there happened to meet a manager who Depaul UK have a good relationship with. This

⁴ Batty, E., Beatty, C., Casey, R., Foden, M., McCarthy, L. & Reeve, K. (2015) *Homeless people's experiences of welfare conditionality and benefit sanctions*. Crisis <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/benefits-and-employment/homeless-people-s-experiences-of-welfare-conditionality-and-benefit-sanctions-2015/>;

and Briefing from Mind: Mental health and requirements to prepare for work <https://www.mind.org.uk/media/23414420/mind-briefing-on-mental-health-and-requirements-to-look-for-work.pdf>

⁵ The young person's name has been changed.

manager ensured that Emma's conditionality was switched off for two weeks. The adviser then became more accommodating to the issues that Emma was facing.

32. After months of work by Depaul UK staff, Emma is no longer claiming Universal Credit, receiving Employment and Support and Allowance instead.

Question: What effects does sanctions policy have on other aspects of the benefits system and public services more widely? Are consequential policy changes required?

33. The recommendations we make above should be implemented, which would reduce the costs to homelessness and other public services

34. Depaul UK spends considerable amounts of time supporting young people to try and comply with requirements placed on them by the jobcentre. We also spend time supporting young people to deal with the effects of being sanctioned. This includes providing petty cash to pay transport costs and providing foodbank vouchers. Young people who have been sanctioned often are unable to pay the service charges for Depaul UK's accommodation. This puts them in arrears. If arrears are not paid then Depaul UK do not recoup the costs of providing accommodation.

35. Young people who are upset about how they have been treated by the jobcentre vent their frustrations in our services. This can upset other residents, cause disruption in the project and create more stress for staff.

36. The damage to people's mental health caused by the threat and consequences of being sanctioned is also likely to lead to additional costs for mental health and other public services.