**BRIEFING**

**Benefit Sanctions Statistics**

**August 2018**

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***SUMMARY***

This Briefing reports on the latest quarterly sanctions statistics for Universal Credit (UC), Jobseekers Allowance (JSA), Employment and Support Allowance (ESA) and Income Support (IS) published by DWP on 14 August, containing data to the end of April or May 2018.

The number of claimants on UC has now passed one million. There were 1,041,943 UC claimants (provisional) at July 2018, of whom 684,803 were subject to conditionality including 477,405 unemployed. At July 2018 the number of JSA claimants had fallen to 398,819. The combined total of unemployed people on UC or JSA was 875,695. There were 401,350 ESA WRAG claimants at February 2018 and an estimated 478,000 claimants on IS and subject to sanctions at April 2018, including an estimated 283,000 lone parents.

Methodological problems with the DWP’s statistics are piling up and making it more difficult to extract meaningful information from them. These are discussed in the Briefing. Nevertheless the best estimate is that the overall UC sanction rate is now about 4% per month before challenges. The JSA sanction rate appears to have bottomed out at just over 0.5% per month before challenges. The sanction rate for ESA has now fallen below that for lone parents on IS, at under 0.1% and about 0.25% respectively before challenges. The crossover point was actually in April 2017 but it is now clear that this is a firm trend. It suggests that DWP has been influenced by the particularly heavy criticism which has been aimed at ESA sanctions. The rate for IS claimants other than lone parents is very low at 0.01% per month before challenges.

A very approximate estimate of the total of sanctions on all four benefits before challenges in the 12 months ended April 2018 would be 318,000. This compares with over 1.1m sanctions before challenges in the peak year 2013.

The DWP’s statistics on the proportion of UC claimants under sanction at a point in time understate the scale of sanctioning. This said, there is a downward trend in this measure for all conditionality groups. The proportion remains much higher for unemployed people than for the other groups, and is somewhere in the range 6%-8% on the DWP’s definitions.

DWP’s statistics on the duration of sanctions also understate the reality. Nevertheless there is a relentless upward trend in the length of UC sanctions, which is obscured in the DWP’s presentation of the figures. The mean length of UC sanctions is now around 12 weeks, on DWP’s definitions, compared to under 5 weeks when the figures were first published in May 2017. The rise probably mainly reflects the effect of making UC sanctions consecutive, rather than concurrent as in the older benefits, because on DWP’s definitions two shorter UC sanctions show up as one longer one. In the latest quarter March to May 2018, almost a third (30.6%) of UC sanctions were over three months and one in eight were over 6 months, indicating the extreme severity of the regime.

The ‘news’ section at the end of the Briefing reports on various developments in relation to sanctions.

**BRIEFING: Benefit Sanctions Statistics**

**August 2018**

**INTRODUCTION**

The latest quarterly benefit sanctions statistics were released by DWP on 14 August, giving data to the end of April or May 2018.[[1]](#endnote-1) The new data are summarised by DWP in the publication *Benefit Sanctions Statistics*, available at <https://www.gov.uk/government/statistics/benefit-sanctions-statistics-to-april-2018> with an associated spreadsheet with summary tables. The full figures for most aspects of the data are on the DWP’s Stat-Xplore database at <https://stat-xplore.dwp.gov.uk/webapi/jsf/login.xhtml>

*Benefit Sanctions Statistics* states (pp.5 & 10) that there are missing Universal Credit (UC) data for some Jobcentre Plus offices for January to March 2018. This has potentially serious implications for what can be said about the trend in UC sanctions, but unfortunately DWP has offered no estimate of the scale of the problem.

Due to coding errors, DWP had removed the data on the principal medical condition of ESA claimants from Stat-Xplore. The mistakes have now been rectified and the data have been restored to Stat-Xplore. The corrections make little difference to the analysis of ESA sanctions by medical condition which was given in the August 2017 Briefing (p.12 & Table 12), so this analysis is not repeated here.

All statistics relate to Great Britain.

**Groups of claimants exposed to sanctions:**

**Universal Credit, JSA, ESA and Income Support**

At April 2018, a total of some 1.93m claimants of UC, JSA, ESA and IS were exposed to the risk of sanctions, with varying frequency and severity.[[2]](#endnote-2)

The number of claimants on UC has now passed one million. **Figure 1** shows how the numbers of claimants on UC have increased, by conditionality regime. Of the 1,041,943 UC claimants (provisional) at July 2018, 357,015 (just over one third or 34.3%) were not subject to conditionality. Of the 684,803 UC claimants subject to conditionality, 477,405 were unemployed and 147,324 were working, with 60,074 neither working nor unemployed but required to plan or prepare for work.[[3]](#endnote-3)

As the number of UC claimants rises, the proportion subject to conditionality is steadily declining. In 2015, when figures were first reported, it was over four-fifths. Now it is down to two-thirds. The proportion who are unemployed and therefore subject to the highest sanction rates is also steadily falling. In 2015 it was about two-thirds; now it is under half. This means that, other things being equal, the figures for the proportion of *total* UC claimants being sanctioned will fall, even if sanction rates for the unemployed, sick etc do not.

At July 2018 the number of JSA claimants had fallen to 398,819. The combined total of unemployed people on UC or JSA in July 2018 was 875,695, so that the majority (54.5%) of unemployed people are now on UC. As explained in a recent DWP consultation paper (2018b, p.4), UC defines additional groups such as non-working Housing Benefit claimants, previously not regarded as unemployed, as now being unemployed and subject to conditionality. The rollout of UC is therefore increasing the unemployed claimant count.

The number of claimants on grounds of sickness and disability who are subject to sanctions can no longer be stated with complete certainty. This is because to the total of claimants in the ESA Work Related Activity Group (WRAG) there needs to be added the number of UC claimants claiming on grounds of sickness or disability. This is not published by DWP. The 27,586 UC claimants ‘preparing for work’ at April 2018 include these people but they also include some people who are not sick or disabled and would previously have claimed IS. The number of ESA WRAG claimants however is known. Their number peaked at 562,620 in August 2013 and has fallen since, but the decline has halted with the number at 401,350 at February 2018. The number in the ESA Assessment Phase (which has no conditionality) has fallen to a relatively low 229,690 from a peak of 546,030 in August 2014. UC does not have an assessment phase; the ‘Job Coach’ has discretion on what conditions to impose pending the Work Capability Assessment.

There were an estimated 478,000 claimants on IS and subject to sanctions at April 2018. The largest group among these was an estimated 283,000 lone parents with a youngest child aged between one and five.[[4]](#endnote-4) DWP reports sanctions for these separately. There were also an estimated 174,000 carers and 20,000 other IS claimants. DWP only reports sanctions for the whole of this latter group of 194,000 claimants.

**Universal Credit sanctions**

Details of the UC sanction regime are given in the DWP’s Sanctions Statistics methodology document (DWP 2018a) and by OBR (2018, Chapter 3). The UC regime has similar lengths of sanction to those of the previous benefits for the various ‘failures’, but there are some critical differences. Sanctions are lengthened by being made consecutive, not concurrent. Hardship payments become repayable. Given that repayments are made at the rate of 40% of benefit – the same as the amount by which a hardship payment is lower than the benefit – this means that for claimants receiving hardship payments, UC sanctions are in effect 2½ times as long as their nominal length.[[5]](#endnote-5) All sanctioned UC claimants must also demonstrate ‘compliance’ for 7 days before applying for hardship payments, and must reapply for each 4-week period. The 80% hardship rate for ‘vulnerable’ claimants is abolished. There is a new ‘lowest’ category of sanction which applies to claimants who would previously have been subject to the milder IS sanction regime. But now lone parents with a child aged between 2 and 5 lose their whole standard allowance, and those with a child aged 1 lose 40% of it, whereas previously both groups would have lost 20%. Under UC, the sanction is applied to the amount of the Standard Allowance[[6]](#endnote-6) which is calculated to be due. In the case of in-work UC sanctions, the calculated amount may be less than the full amount, in which case the sanction may also be less.

**Sanctions before and after reviews, reconsiderations and appeals**

The DWP’s *Benefit Sanctions Statistics* publication and Stat-Xplore database only show sanctions *after* any reviews, reconsiderations and appeals that have taken place by the time the data are published.[[7]](#endnote-7) But numbers of sanctions *before* the results of these challenges are important since they show all the cases in which claimants have had their money stopped. Although a successful challenge should result in a refund, this is only after weeks or months by which time serious damage is often done. Estimates of sanctions before challenges are therefore given here but although reliable for longer time periods, they are not fully accurate for individual months.[[8]](#endnote-8) For JSA and ESA, figures for sanctions before challenges are currently higher than the ‘after challenge’ figures by very large amounts, namely about 20%. and 40% respectively. But to date, under 5% of UC sanctions have been overturned following challenge and for IS sanctions only 1%, so for these types of sanction there is much less difference between the pre-and post-challenge figures. This Briefing has a mixture of pre- and post-challenge sanctions figures.

**NUMBERS AND RATES OF SANCTIONS**

**FOR THE FOUR BENEFITS**

**Difficulties in estimating the overall number and monthly rate of Universal Credit sanctions**

It has become difficult to estimate the number and monthly rate of UC sanctions, even for all UC claimants taken together, and it is still impossible to estimate them for the individual conditionality groups (unemployed, sick etc.). DWP is publishing only sanctions being imposed on claimants using ‘live service’, and even for them gives no breakdown by conditionality group. Nothing has been published on sanctions under ‘full service’. More and more Jobcentres are transferring to ‘full service’, so the published figures are becoming more and more of an understatement. By April 2018, 260 out of 642 JCP offices (40.4%) had transferred to ‘full service’. An additional complication is that while we know that all new claimants in ‘full service’ offices will be put on to ‘full service’, we do not know how quickly existing UC claimants in those offices are being transferred from ‘live’ to ‘full’ service. A further problem is that the latest *Benefit Sanctions Statistics* states (p.10) ‘*It was discovered that there are some instances of incomplete UC live service data from January 2018 to April 2018. This has impacted UC live service sanctions decisions, rate and durations data for a limited number of live service claims, and will impact sanction destinations data in the future. Although the problem has since been resolved, there is no reliable method for recovering the missing data, meaning that statistics on live service sanctions for Universal Credit between January and April 2018 should be treated with caution*.’ In other words, the data for January to April 2018 understate the number of live service sanctions by an unknown amount.[[9]](#endnote-9)

To make estimates of the true total of UC sanctions, these Briefings have been grossing up the ‘live service’ figures by dividing them by the number of Jobcentres with ‘live service’ and multiplying by the total number of Jobcentres. This method is becoming increasingly unreliable as the number of ‘live service’ Jobcentres diminishes. This is particularly because while ‘live service’ is dominated by unemployed people subject to high sanction rates, ‘full service’ caters for a higher proportion of claimants who are subject only to lower sanction rates. Alternative methods have therefore been investigated.

The first alternative method is not to attempt to estimate the combined total of ‘live service’ and ‘full service’ sanctions but to estimate the monthly rate of sanction on ‘live service’ claimants alone. The published DWP total of ‘live service’ sanctions is divided by the total number of UC claimants at Jobcentres shown in the DWP’s Rollout Schedule as not having transferred to ‘full service’. It is assumed that all existing UC claimants in transferring Jobcentres are on ‘full service’ by the middle of the following month. To the extent that this assumption is incorrect, the monthly sanction rate produced by this method will have a downward bias. This method can also do nothing to correct for the bias arising from the fact that ‘full service’ has a higher proportion of claimants with nil or low sanction rates.

The second alternative method is to use the equation (which is necessarily true)[[10]](#endnote-10):

No. of newly sanctioned claimants in month

= (No. of claimants serving a sanction) / (Mean duration of a sanction in months)

DWP publishes the latter two figures, although both are subject to important caveats which have been discussed in earlier Briefings. This method gives the number of newly sanctioned claimants rather than the number of sanctions in the month. Because of repeat sanctions on the same individuals, this will produce a lower figure, other things being equal, but within a period as short as a month the two figures should be close to each other. This method does eliminate the bias arising from the fact that ‘full service’ has a higher proportion of claimants with nil or low sanction rates. However, DWP states (on the relevant Stat-Xplore page) that there is a discrepancy between the UC statistics on numbers under sanction at a point in time and those for UC sanction durations, which is being investigated. It is no surprise to hear of such difficulties with these experimental statistics. This problem could have affected the estimate of newly sanctioned claimants produced by this method.

**Rates of sanction on the four benefits**

**Figure 3** shows the results produced by the three alternative methods, with the equivalent figures for JSA shown for comparison. All three methods show a similar pattern over time, with a trough in 2016 followed by a surge over the winter of 2016/17, falling back to a similar level to that of the trough. The results of the grossing-up and live service methods are really quite close, never more than 2 percentage points apart and often much closer. The equation method puts turning points about two months later than the other methods, indicating that it needs some adjustment. As expected, the equation method produces lower figures than the others. But all three methods show rates of sanction much higher than for JSA. Two of the methods show a fall in UC sanction rates since January 2018, but it is not clear how reliable this is given the problem of the missing live service data discussed above. The best estimate is that the overall UC sanction rate, which as noted earlier includes a growing proportion of people subject to no or milder conditionality, is still around 4% per month.

**Figure 4** gives the monthly rates of sanction for all four benefits, showing just the ‘grossing up’ method for UC, for clarity. The JSA sanction rate appears to have bottomed out at just over 0.5% per month. Interestingly, the sanction rate for ESA has now fallen below that for lone parents on IS, at under 0.1% and about 0.25% respectively. The crossover point was actually in April 2017 but it is now clear that this is a firm trend and does suggest that DWP has been influenced by the particularly heavy criticism which has been aimed at ESA sanctions. The rate for IS claimants other than lone parents is very low at 0.01%.

**Numbers of sanctions**

For the reasons discussed, estimates of the total number of sanctions can currently only be approximate. Taking the 247,000 UC sanctions before challenges in the 12 months ended April 2018 produced by the grossing up method and adding in the approximately 53,000 JSA, 7,700 ESA and 10,000 IS sanctions gives a total of approximately 318,000 sanctions on all the four benefits before challenges in these 12 months. This compares with over 1.1m sanctions before challenges in the peak year 2013.

**Proportion of claimants under sanction at a point in time**

The DWP’s preferred measure of sanctions ‘rate’ is the number and proportion of claimants who are serving a sanction at a point in time. There are various problems with this measure, which were discussed in the November 2017 Briefing (pp.6-10). In particular, it does not show people who stop claiming because of the sanction, or people who resume a sanction on returning to benefit, or those who still have reduced benefits as a result of repaying hardship payments. DWP has yet to publish any data on UC hardship payments. This measure also gives no idea of the total number of people who have been subjected to sanctions over a given period such as a year, which is a serious weakness given that the effects of a sanction often last a long time. There are also particular problems with the JSA estimates, which do not appear credible at all. However, the figures do have the advantage that in respect of UC, they show the differing prevalence of sanctions for the different conditionality groups.

Figures for the percentage of UC claimants under sanction at a point in time by conditionality group were first published in May 2018. **Figure 5** updates these figures. There is a downward trend in all the groups, although because of the missing data the accelerated move downwards for the unemployed in the latest quarter cannot be regarded as reliable. It is impossible to say whether the proportion for the unemployed has fallen to around 6% or stayed around 8%. The unemployed are clearly treated much more harshly than the other groups, which all have proportions at 1% or below.[[11]](#endnote-11)

Fuller analyses for the UC unemployed and in-work conditionality groups were published in the August 2018 Briefing. Analyses for JSA and ESA were published in the November 2017 Briefing.

**The duration of sanctions**

Since November 2017, the DWP’s *Benefit Sanctions Statistics* and the accompanying summary spreadsheet also have new ‘experimental’ statistics on the duration of ‘ended’ UC, ESA and JSA (but not IS) sanctions. For UC, JSA and ESA there are month-by-month detailed frequency distributions of durations in the spreadsheet, JSA having been added in the February 2018 release.

As in the case of the proportions of people under sanction at a point in time, all the durations are understated. They show not the durations imposed, but the actual durations including the shorter durations of people who leave benefit before the sanction is fully served (often because of the sanction) and of those with successful challenges. They do not include the unserved portions of sanctions which claimants who leave before the sanction is completed are made to serve if they later reclaim. They also do not reflect the effect of repayment of UC hardship payments. They therefore do not show anything like the full impact of sanctions in lowering claimants’ incomes.

*Benefit Sanctions Statistics* prints only the median length of sanctions, i.e. the length which is longer than half of all sanctions and shorter than the other half. This is a useful measure for some purposes, but does not tell the whole story. In particular it does not show what is happening to the numbers of very lengthy sanctions. Because sanctions are for discrete lengths (4 weeks, 13 weeks etc.) the median also has a tendency to make big jumps in response to what are actually minor changes.

**Figure 6** shows how the median length of UC sanctions has changed, as estimated by DWP. It also shows the mean, estimated on two different assumptions about the average value in the DWP’s open top class interval of ‘27 weeks or more’. The striking feature of the chart is the relentless rise in the length of UC sanctions, which is much better measured by the mean than the median, although the latest values of the median confirm it. The mean is now around 12 weeks. The reason for the rise was originally that the longer sanctions were not being captured in the ‘completed sanction’ figures because the statistics had not been running for long enough. But more recently it probably reflects the UC feature that sanctions are consecutive, rather than concurrent as with previous benefits. On the DWP’s methodology, two consecutive shorter sanctions will be counted as one longer one.[[12]](#endnote-12)

The other interesting feature of **Figure 6** is the pronounced dip in completed UC sanction lengths seen in January 2017. The explanation for this probably lies in the ‘blitz’ which DWP mounted that winter in order to catch up with a backlog which had built up. This in turn suggests that the numbers of people dropping out of benefit in response to a sanction are really quite high; this would explain a sudden drop in sanction length measured by the DWP’s method.

**Figure 7** breaks down the UC sanctions completed in the quarter March to May 2018 by length. Less than one third (31.7%) were of 4 weeks or less, while a similar proportion (30.6%) were of more than three months and one in eight (12.4%) were over six months. These are very harsh figures, and as noted they understate the true lengths.

**ANALYSES NOT INCLUDED IN THIS ISSUE**

Because of the missing data on UC ‘live service’, this is not a good time to update other analyses. Readers are referred to earlier numbers of the Briefing for analyses of issues not discussed in the present issue. These analyses will be updated in future numbers.

**SANCTIONS - OTHER DEVELOPMENTS**

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**Refund of unlawful sanctions – Further developments**

The complex story of the Reilly & Wilson court case about ‘workfare’ and the retrospective Jobseekers (Back to Work Schemes) Act 2013 has reached another stage with the laying by the Employment Minister on 28 June of a draft Remedial Order amending the 2013 Act. His statement is at <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-06-28/HCWS807/>

To summarise, after complex litigation the upshot is that, as set out in a Freedom of Information response FoI 2998 + IR 414 at <https://www.whatdotheyknow.com/request/494836/response/1201245/attach/2/FoI%202998%20IR%20414%20Reply.pdf?cookie_passthrough=1> , a provisionally estimated 3,789-4,305 claimants will be refunded an initially estimated total in the region of £1.69-£1.87m. This compares with the government estimate in 2013 that ‘up to £130m’ would have to be refunded if the Act was not passed. In the event, therefore, the Act will have been largely successful in retrospectively validating sanctions on claimants whom the courts found had been denied their rights in relation to ‘workfare’ style schemes. There is comment on this at

[https://mrfrankzola.wordpress.com/2018/08/01/thousands-of-workfare-conscripts-to-be-refunded-2-million-pounds-for-illegal-benefit-sanctions-boycottworkfare](https://mail.campus.gla.ac.uk/owa/redir.aspx?C=jk-XzHh3UPWwuQtqIl6CVjHgaOFDYde3ZkTQ3gRdJmW2lay2UBLWCA..&URL=https%3a%2f%2fmrfrankzola.wordpress.com%2f2018%2f08%2f01%2fthousands-of-workfare-conscripts-to-be-refunded-2-million-pounds-for-illegal-benefit-sanctions-boycottworkfare%2f)

**Early indicator estimates from the ONS Wealth and Assets Survey**

This survey of the non-retired working age population (ONS 2018) shows how fragile is the financial situation of a very large minority, indicating how damaging benefit sanctions are bound to be, especially the very lengthy sanctions imposed since 2012. Key findings are:

* 12% of respondents in the period July 2016 to December 2017 reported that they always or most of the time ran out of money at the end of the week or month, or needed a credit card or overdraft to get by in the past year; this was unchanged from the period July 2014 to June 2016.
* 44% of respondents in the period July 2016 to December 2017 reported that they would not be able to make ends meet for longer than three months if they lost the main source of income coming into their household; this fell slightly from 46% in July 2014 to June 2016.
* 48% of respondents aged 16 to 24 years in the period July 2016 to December 2017 reported that they would not be able to make ends meet for longer than one month if they lost the main source of income coming into their household; this was compared with 26% of all respondents.
* 8% of respondents in the period July 2016 to December 2017 reported that they would be unable to meet an unexpected major expense equivalent to or greater than a month’s income.

**Chartered Institute of Housing report on the growing gap between Local Housing Allowance rates and private rents**

Housing Benefit for private renters is called Local Housing Allowance (LHA) and within Universal Credit this becomes the housing element. The Chartered Institute of Housing (CIH 2018) reports (CIH 2018) that the allowance is becoming increasingly inadequate. LHA rates are meant to cover the cheapest 30 per cent of privately rented homes in any given area (a figure already reduced from what it was previously). But they haven’t been increased in line with local rents since April 2013 and they remain frozen until April 2020. As a result, renters across some ‘Broad Rental Market Areas’, including Glasgow and Edinburgh are facing gaps of over £10 a week on a single room in a shared home, while tenants with properties of between one to four bedrooms have even larger gaps. The UK Government introduced targeted affordability funding in 2014 to bridge the biggest gaps but the CIH report finds that its impact has been negligible, covering only a handful of the shortfalls completely. The policy is hitting single people aged under 25 particularly hard. Even small gaps between their LHA and their rent can be serious because the levels of other benefits they may be entitled to (for example Jobseeker’s Allowance) are also much lower. General benefit rates for single people aged under 25 are too low to contribute towards any gap without putting them at significant risk of homelessness.

This, combined with other factors such as the wider benefits freeze, again underlines how the financial situation of people impacted by the very severe sanctions of the 2012 regime and even more severe provisions under UC is getting progressively weaker to start with.

**New report comparing activation requirements for jobseekers across OECD and EU countries**

The IZA in Bonn (which produces much material on benefit conditionality) has published a report comparing activation requirements imposed on unemployed claimants in 39 OECD and EU countries (Immervoll & Knotz 2018). It notes that the UK has the second most demanding job search requirements, after Malta. A first refusal of a suitable job results in a disqualification for 1 week in Sweden, 2 weeks in Korea, 8 weeks in Australia, and 13 weeks in the United Kingdom, Spain and New Zealand, and the increase for second and third refusals is ‘particularly steep’ in the UK.

The report looks only at the paper requirements and not at the way they are applied. There can be a big difference, as was revealed in relation to France last year when the Macron campaign revealed that apparently stringent requirements were not actually being imposed at all. The report also does not consider rates of benefit sanction. One has to be grateful to the authors for undertaking the huge task of comparing even the formal requirements across so many countries with different languages, institutions and systems. However, it is obviously also necessary to treat the findings with some reserve. In the case of the UK, the authors say (para.4.4.1) that ‘The United Kingdom leaves the decision of whether resignations (i.e. voluntary leaving’) were reasonable or not to the courts.’ This of course is not the case. The decision is made by a DWP decision-maker, with appeal to a Tribunal only after Mandatory Reconsideration and after the sanction has been imposed. The courts would only become involved if there was a point of law.

**Scottish Urban Regeneration Forum (SURF) *Red Tape and Benefits***

**shared learning event**

SURF recently reported on a discussion on the experience of benefit sanctions held in Govan, Glasgow with communities from Govan, Kirkcaldy, Dunoon and Rothesay. A Summary Report is available at

<https://www.surf.scot/wp-content/uploads/2016/10/Complete-shared-learning-report-on-red-tape-and-benefits.pdf>

Participants said the inconsistent and unpredictable imposition of sanctions and penalties undermined individuals, their families and communities. Several speakers gave short presentations on their individual experience of the benefit system as it impacted on them and their different communities across Scotland. Not knowing when or why a sanction might be imposed caused fear and stress, created barriers to community engagement, stigmatised those who were already disadvantaged, and fed into a culture of seeing the world in terms of 'us' and 'them'. Participants with first hand knowledge of the system also made positive contributions and observations about ways in which the benefits process could improved.

**Social Market Foundation research on benefit sanctions**

Supported by the Oak Foundation, the Social Market Foundation is undertaking a research project on benefit sanctions in the UK, led by Matthew Oakley, and aiming to update and expand the review of sanctions that he undertook for the Coalition government in 2014 (Oakley 2014; see also Webster 2014). It is intended to produce an interim report in Autumn 2018 and a final report in Spring 2019, and also a set of ‘key metrics that can be tracked in order to judge whether the sanctions and conditionality system are improving’, which will be updated over the following two years. The project is described at

<http://www.smf.co.uk/making-sense-of-sanctions/>

and the SMF has issued a call for evidence, at

<http://www.smf.co.uk/wp-content/uploads/2018/04/Call-for-evidence-questions.pdf>

with a closing date of 14 September.

SMF has told me that it is not intending to publish responses, and will treat them as confidential unless otherwise indicated or the material is in the public domain. Names of respondents will not be published either.

**More on NHS dental fines in England**

The November 2017 Briefing noted the difficulties being caused by a system whereby patients receiving free dental treatment but subsequently deemed ineligible for it are given automatic fines usually of £100. According to the BBC at <https://www.bbc.co.uk/news/education-45355527>, there has been a fall of 23% in visits to the dentist by low-income people over four years, representing two million fewer treatments in 2017-18 compared with 2013-14. The number of fines increased more than tenfold across these four years - from almost 34,000 to 365,000. The British Dental Association says the "huge fall" in people on low incomes going to the dentist in England is because they fear being wrongly fined when they claim for free treatment and that the fines are creating a "hostile environment" for the vulnerable. The BDA says many of the fines are due to innocent confusions over paperwork and that many are overturned when challenged.

**Pauvreté: Ne suivons pas l’exemple anglais! – *Le Monde*, 6 September 2018**

Writing in today’s edition of the distinguished French newspaper *Le Monde*, Jean-Claude Barbier (Barbier 2018) describes the fiasco of Universal Credit and the sanctions regime, and urges his fellow citizens not to follow the British example.

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**Figure 1**

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**Figure 2**

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**Figure 3**

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**Figure 4**

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**Figure 5**

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**Figure 6**

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**Figure 7**

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**NOTES**

1. Previous briefings are available at <http://www.cpag.org.uk/david-webster>. They include many analyses that remain valid. However it should be remembered that the DWP may have made subsequent revisions to the data reported in earlier briefings. [↑](#endnote-ref-1)
2. The total number of people subject to sanctions cannot be stated exactly, because there are some categories of Income Support claimants other than lone parents with a child under one who are not subject to sanctions, and there are no data on their numbers. However, they are likely to number in the low tens of thousands. [↑](#endnote-ref-2)
3. The in-work UC claimants subject to conditionality are low paid or part-time workers who prior to UC would not have been subject to sanctions at all. Those ‘planning for work’ are mainly lone parents with a child aged 1, while those ‘preparing for work’ are people who would have been in the ESA Work Related Activity Group, and lone parents with a child aged 2 but under 5. The statistical categories for conditionality regime used in Stat-Xplore are explained in the ‘i’ feature next to the variable name in Stat-Xplore and also in the Universal Credit Statistics methodology document at

<https://www.gov.uk/government/publications/universal-credit-statistics-background-information-and-methodology> [↑](#endnote-ref-3)
4. Lone parents with youngest child aged one to five have been estimated simply as one fifth of the total with youngest child aged 0 to five. [↑](#endnote-ref-4)
5. Repayment is suspended for any month when the claimant earns more than their threshold, and any remaining debt is written off if the earnings threshold has been met for 26 weeks, whether continuous or not. [↑](#endnote-ref-5)
6. The Standard Allowance is the basic living amount for a single adult, before the addition of other amounts for housing costs, children etc. [↑](#endnote-ref-6)
7. The basic concept of the DWP’s sanctions database is that each sanction case appears only once, and is given its latest status and attributed to the month of the latest decision on the case. So, for instance, if a decision is made in January 2014 to sanction someone, this decision is reviewed in March 2014 with an outcome unfavourable to the claimant, reconsidered in a ‘mandatory reconsideration’ in May 2014 again with an unfavourable outcome, and is heard on appeal by a Tribunal in October 2014 with a decision favourable to the claimant, then:

it appears in the statistics for the first time in January 2014 as an adverse ‘original’ decision

in March 2014 it changes its status to a ‘reviewed’ adverse decision and moves month to be with all the other cases where the latest decision has been made in March 2014

in May 2014 it changes its status to a ‘reconsidered’ adverse decision and moves month to be with all the other cases where the latest decision has been made in May 2014

in October 2014 it changes its status again to an appealed non-adverse decision, and moves month again to be with all the other cases where the latest decision has been made in October 2014. [↑](#endnote-ref-7)
8. The estimates of sanctions before challenges have been derived by adding the monthly total of ‘non-adverse’, ‘reserved’ and ‘cancelled’ decisions shown as being the result of reviews, mandatory reconsiderations and tribunal appeals, to the monthly total of adverse ‘original’ decisions. This produces only an approximate estimate for each individual month, since decisions altered following challenge are not attributed to the correct month. It will be particularly unreliable for months affected by a DWP catch-up of a backlog of decisions. But the estimates are reliable for longer periods. [↑](#endnote-ref-8)
9. When low percentage rates are being calculated, as in this instance, missing cases can potentially create a particularly large downward bias. This is so even if the case is missing from both the numerator and the denominator. For instance, if 5 people are sanctioned out of a group of 100, the sanction rate is 5%. If data on one sanction case is missing, then the rate will appear to be 4/99 = 4.04%. [↑](#endnote-ref-9)
10. For discussion of this equation, see the November 2017 Briefing, pp.8-9. [↑](#endnote-ref-10)
11. In its Universal Credit Statistics methodology document (DWP 2018c) DWP says that for April 2018, some people are shown in the wrong UC conditionality regime. But it does not appear that this has had any significant effect on Figure 5. [↑](#endnote-ref-11)
12. It seems unlikely that the trends shown in Figures 5 and 6 would have been affected by the discrepancies between numbers and durations mentioned by DWP, although the levels might be. [↑](#endnote-ref-12)