

# UK welfare benefit sanctions hit the homeless

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A report for the UK homeless charity Crisis describes the system of benefit sanctions as cruel and disproportionately affecting homeless people.

The Centre for Regional Economic and Social Research at Sheffield Hallam University conducted the survey.

Benefit sanctions, where a job centre can suspend or dock welfare payments, are applied when a claimant is deemed not to be in compliance with the specific requirements of claiming a particular benefit. A sanction could be applied when a claimant does not attend just one appointment at the Job Centre or work programme provider. Sanctions can be applied against a claimant deemed not to be proactively looking for work while claiming Job Seekers Allowance (JSA).

Following the Welfare Reform Act 2012, the rules regarding sanctions were tightened. Benefit payments can now be stopped between four weeks and three years, dependent on how many times the claimant breaks the rules.

The report shows the “post code lottery” behind the sanctions regime. Claimants in more economically depressed areas of the countries are hit harder. Crisis said sanctions varied between 15.4 per hundred per month in Richmondshire, North Yorkshire, and 1.8 per hundred in the Western Isles.

Jon Sparkes, chief executive of Crisis, said, “Sanctions are cruel, and can leave people at severe risk of homelessness—cold hungry and utterly destitute.”

The number of people on the unemployment benefit JSA that have been sanctioned in the last 13 years is 6.8 million. The numbers of those on JSA who are sanctioned has risen from 35,000 a month in October in 2012 to 84,800 per month to the date of the report. This group is predominantly younger, with two-thirds of all sanctions being applied to claimants under the age of 35.

Sanctions also affect those claimants who claim the Employment and Support Allowance (ESA) sickness benefit. Many ESA claimants suffer mental health or substance misuse problems.

The number of those sanctioned claiming ESA since its introduction in 2008 already stands at 120,800. The rate at which sanctions have been applied to ESA claimants has risen dramatically, with a nearly a fourfold increase from 1,400 per month in March 2013 to 5,400 in March 2014. This represents one sanction per 100 ESA claimants and applies to claimants who are placed in just one specific category, the work-related activity group. The Department for Work and Pensions (DWP) deems those in this category capable of work at some time in the future and capable of taking steps towards moving into work.

One-in-three sanctions is imposed for failing to actively seek work. At present over half of all JSA sanctions are imposed at the lower level, while one-third are at the intermediate level, and less than 10 percent are at the higher level.

The numbers of people who are classed as homeless and those living in hostels and shelters that are sanctioned are difficult ascertain, as statistics do not include the housing circumstances of particular claimants. A study carried out over a three-month period in 2013 by the Homeless Link charity suggests that sanction rates amongst homeless people are high. An estimated one-third of homeless people claiming JSA were hit and nearly one-fifth claiming ESA.

There is a strong body of evidence to suggest that vulnerable groups of claimants are at an increased risk of being sanctioned, with many people finding it difficult to navigate increasingly complex rules in order to receive meagre benefits.

An independent review carried out by the House of Commons Work and Pensions Committee scrutinised the system of sanctions in 2014. They found evidence

that claimants faced difficulties storing letters, correspondence that was impossible to understand, poor communication, claimants having difficulties with literacy and no access to the Internet, and a lack of flexibility to accommodate claimants' commitments for job interviews and hospital appointments.

Homelessness, though not often mentioned in many such studies, contributes to many of the contributory factors that vulnerable people experience, such as ill health, substance misuse, lack of work experience, problems with literacy and low self-esteem. Homeless people experience some of the worst health in society, facing much higher levels of physical, mental and substance misuse than the general population.

Homeless people face further difficulties in ability to comply with the regime of "conditionality" as they will often lead chaotic lives, not knowing where they will sleep from one day to the next. The system of benefit sanctions is particularly restrictive when applied to these claimants.

A homeless claimant who is in receipt of JSA will be expected, as part of their claimant commitment to qualify, to use a phone or have access to a computer to carry out a job search. If they cannot demonstrate to their local benefits office that they have been looking for jobs, then they are at risk of having their benefits sanctioned.

Homeless people are less likely to receive mail due to the transitory nature of their lives. If they live in a large hostel, mail is often not received. When they do receive it, there are often problems due to poor communication by the DWP. The letters are not clear and include vague wording, often difficult to understand. Evidence from Citizens Advice Scotland found that many clients had not realised they had been sanctioned until they had gone to the bank to find out they had no money.

Sanctions increase the risk of homelessness. Claimants once sanctioned have to cut back on housing costs including payments towards rent, service charges. Failing to reclaim Housing Benefit following a sanction being imposed leads to rent arrears and the possibility of eviction.

Benefit sanctioning has been integral to the massive clampdown on welfare entitlement carried out over the last five years by the Conservative/Liberal Democrat coalition. Some 20 billion has been slashed from the welfare budget, with a further £12 billion in welfare

cuts already being planned by the Conservatives. These cuts have sharply reduced incomes and increased housing insecurity for the poorest.

The use of sanctions to punish those on welfare has been in place since the late 1980s within the British social security system. However, sanctions increased markedly with the introduction of JSA in 1996.

It was the Labour Party that strengthened existing conditionality criteria, making it central to benefit claims. Conditionality was an intrinsic part of the 1997-2010 Labour governments' welfare reforms. The coalition is implementing the harshest regime of conditionality in the history of the welfare benefits system, but the blueprint for the current regime can be traced back to the Labour government, who commissioned reviews and White and Green papers published in 2006-2008.

Labour is committed to retaining the brutal sanctioning system should it come to power on May 7. In November last year, Rachel Reeves, Labour Shadow Secretary of State for Work and Pensions, and Stephen Timms, Shadow Employment Minister, wrote, "Sanctions have been part of our social security system since its foundation, and the principle of mutual obligation and putting conditions on benefit claims were integral to the progressive labour market policies of the last Labour government."



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