

Benefit Sanctions

Exploring the physical, mental, and emotional impact of conduct conditionality in state welfare

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Zeb Jenkins-Hall
Hia Alhashemi
Daneh Irvine
Lottie Needham



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Introduction

It has been said that the UK has ‘one of the most punitive approaches toward unemployment benefits in all of Europe’¹, while others have argued it is the second harshest system in the entire world.² This is largely down to the fact that benefit claimants in the UK can have their benefits removed for periods of time as a punishment for not fulfilling certain conditions of receiving welfare. For instance, claimants who miss a Jobcentre appointment might have their benefits reduced or taken away entirely for 28 days; if they miss three appointments, this increases to 91 days.³ This is what’s known as a sanction and constitutes the cornerstone of the UK’s current approach to unemployment benefits.

Conditionality and sanctions

The notion of a claimant being punished for not fulfilling certain terms of agreement for the receipt of welfare stems from the concept of ‘conditionality’, the idea that benefit recipients must meet particular ‘conditions’ in order to access welfare.⁴ There are three key forms of conditionality in state welfare: ‘conditions of category’, which outline that a recipient must be a member of a certain group (for example, unemployed) in order to qualify for state support; ‘conditions of circumstance’ which delineate the criteria a person has to meet to be eligible for support, such as having a household income below a certain threshold; and ‘conditions of conduct’ which dictate the behaviours a claimant must engage in to remain eligible for support.⁵ An increased focus on ‘conditions of conduct’ in the UK welfare system over the past several decades has culminated in an excessively harsh system of sanctions and threats which aim to monitor and control a claimant’s behaviour, punishing them for not abiding by the rules, as opposed to supporting and encouraging them to find work.^{6,7}

The fundamental reasoning behind the existence of sanctions is that they are meant to encourage claimants to adhere to the rules of conduct conditionality by applying for jobs and ultimately finding work, thereby ending their need for

¹ E. Williams, ‘Unemployment, Sanctions and Mental Health: The Relationship Between Benefit Sanctions and Antidepressant Prescribing’, *Journal of Social Policy*, vol. 50, no. 1, 2019, pp.1-20

² S. Wright et al., ‘Punitive Benefit Sanctions, Welfare Conditionality, and the Social Abuse of Unemployed People in Britain: Transforming Claimants Into Offenders?’, *Social Policy and Administration*, vol. 54, no. 2, 2020, pp. 278-294.

³ Wright et al, ‘Punitive Benefit Sanctions’, 2020.

⁴ B. Watts et al., ‘Welfare Sanctions and Conditionality in the UK’, 2014, Joseph Rowntree Foundation.

⁵ Watts et al., ‘Welfare Sanctions and Conditionality’, 2014.

⁶ Watts et al., ‘Welfare Sanctions and Conditionality’, 2014.

⁷ Wright et al., ‘Punitive Benefit Sanctions’, 2020.

state welfare and kickstarting a period of gainful and prosperous employment.⁸ Essentially, they are designed to 'get people off benefits and into work'.⁹ Many would argue that benefit sanctions play a crucial role in encouraging individuals to actively seek employment or engage in activities and programmes that aid them in finding employment, such as getting support from a job coach or attending employment workshops. According to a report by the Department for Work and Pensions (DWP), sanctions have been associated with increased rates of employment and reduced reliance on benefits for some recipients.¹⁰ Additionally, it can be argued that the implementation of benefit sanctions helps avoid an overreliance on Universal Credit and ensures that resources are directed towards those in genuine need.¹¹

Yet even studies that support the sanctions regime do so with the addition of substantial caveats. Studies from Germany¹² and Denmark¹³ which support benefit sanctions as a means of encouraging claimants into employment still argue that sanctions are only motivating 'within a certain time period' and at an 'absolute maximum of three months' before they begin to be counterproductive.¹⁴

In reality, benefit sanctions are deeply flawed and have been found to adversely affect employment outcomes¹⁵, wages and financial wellbeing¹⁶, crime¹⁷, mental health¹⁸, food security¹⁹ and homelessness.²⁰ There is also evidence that sanctions are disproportionately inflicted on younger claimants, particularly young men, which is putting this group at even further risk of mental health issues, homelessness and crime.²¹ Yet, despite vast amounts of anecdotal, quantitative and qualitative evidence that sanctions do not work, consecutive governments have consistently pursued a course of action aimed at

⁸ D. R. Fletcher & S. Wright, 'A Hand Up or a Slap Down? Criminalising Benefit Claimants in Britain Via Strategies of Surveillance, Sanctions and Deterrence', *Critical Social Policy*, vol. 38, no. 2, 2018, pp. 323-344.

⁹ Fletcher & Wright, 'A Hand Up or a Slap Down?', 2018.

¹⁰ Department for Work and Pensions, 'The Impact of Benefit Sanctions on Employment Outcomes: Evaluation Report', 2023.

¹¹ T. Waters, 'New DWP Study on Sanctions May Not Be All It Seems', Institute for Fiscal Studies, 2023.

¹² G. Berg et al., 'Sanctions for Young Welfare Recipients', IZA Discussion Paper No. 7630, 2013.

¹³ M. Svarer, 'The Effect of Sanctions on Exit from Unemployment: Evidence from Denmark', *Economica*, vol. 78, no. 312, 2011, pp. 751-78.

¹⁴ Svarer, 'The Effect of Sanctions on Exit from Unemployment', 2011.

¹⁵ DWP, 'The Impact of Benefit Sanctions', 2023.

¹⁶ Fletcher & Wright, 'A Hand Up or a Slap Down?', 2018.

¹⁷ P. Dwyer & J. Bright, 'First Wave Findings: Overview: Welfare Conditionality: Sanctions, Support and Behaviour Change', Economic and Social Research Council, 2016.

¹⁸ Williams, 'Unemployment, Sanctions and Mental Health', 2019.

¹⁹ R. Loopstra et al., 'Impact of Welfare Benefit Sanctioning on Food Insecurity: A Dynamic Cross-Area Study of Food Bank Usage in the UK', Cambridge University Press, vol. 47, no. 3, 2018, pp.437-457.

²⁰ Watts et al., 'Welfare Sanctions and Conditionality', 2014.

²¹ Watts et al., 'Welfare Sanctions and Conditionality', 2014.

strengthening the sanctions regime.²² This report aims to add to the already sizable literature on the negative impacts of benefit sanctions, in order to lay bare the flaws of the system and recommend changes that will hopefully improve the lives and experiences of welfare recipients.

This report will assess the effects of benefit sanctions on each of the areas mentioned above in turn: young people, employment outcomes, wages, crime, mental health, food security and homelessness. It will evaluate current theorising on the use of sanctions in benefit regimes by analysing various academic studies of Jobseekers Allowance (JSA) and, more latterly, Universal Credit (UC), as well as utilising local data and personal stories from Arun and Chichester Citizens Advice clients. Overall, this report demonstrates that benefit sanctions are not fit for purpose and are, in fact, having a detrimental impact on the lives of the very people the system is designed to support.



Elizabeth's* story

Elizabeth has three young children, and she and her partner both work part-time to cope with childcare demands. Yet despite being a two-income household, rising prices and the increased cost of living means Elizabeth and her partner are struggling to make ends meet and are reliant on Universal Credit. When the couple received a sanction and their Universal Credit was unexpectedly suspended, they were told a mandatory reconsideration would take 8-12 weeks to process. Elizabeth's partner had been sanctioned because he had missed a message from the DWP while his phone was broken. Without any warning, the family's UC was cut off and they had to turn to food banks and charitable support.

*Name has been changed for anonymity

²² Wright et al., 'Punitive Benefit Sanctions', 2020.

Impact of Sanctions

Young people

Young people, and young men specifically, are the most heavily sanctioned group of all UC claimants. A recent report from the Institute of Public Policy found that young men constitute one in five UC claimants, while men of any age are 2.6 times more likely than women to receive a sanction.²³ Data analysis from Arun and Chichester Citizens Advice supports this conclusion, as even though there are more women than men claiming UC in the South East, men nevertheless face the brunt of benefit sanctions. Furthermore, our analysis shows that claimants under the age of 30 consistently make up around half the total number of claimants sanctioned in the region.²⁴

This is not a new trend. Evidence from UK studies spanning several years has repeatedly shown that young people are more likely to be sanctioned, a pattern that persists regardless of the particular benefit regime.^{25,26} A 2014 report on sanctions within Jobseekers Allowance found that ‘the under-25 group has had a consistently higher sanction rate than other age groups’ and that JSA claimants in this age group accounted for 41 percent of all sanctions issued from October 2012 to December 2013.²⁷

Research has suggested that young people receive more sanctions because they are less worried by the threat of financial hardship due to the ‘safety net’ provided by supportive families.^{28,29} This explanation was supported by Wright et al., who found that young men, especially those living with family, were less concerned by the idea of being sanctioned as they knew they could rely on parents or other immediate family for help.³⁰ Another explanation, however, is that young people are more likely to live ‘insecure’ and ‘chaotic’³¹ lives which are not conducive to adhering to the strict nature of conditionality, such as the requirement to regularly apply for jobs and turn up to appointments with a work coach.³² Yet, as argued by the Young Men’s Christian Association (YMCA),

²³ H. Parkes, ‘The Sanctions Surge: Shining A Light on the Universal Credit Sanctions Regime’. Institute for Public Policy Research, 2023.

²⁴ F. Uwase, ‘UC Sanctions Data Dashboard, Arun and Chichester Districts’. Arun and Chichester Citizens Advice, 2023.

²⁵ Watts et al., ‘Welfare Sanctions and Conditionality’, 2014.

²⁶ Welsh Government, ‘Analysing The Impact Of The UK Government’s Welfare Reforms In Wales The Impact Of Benefit Sanctions’, 2014.

²⁷ Watts et al., ‘Welfare Sanctions and Conditionality’, 2014.

²⁸ Watts et al., ‘Welfare Sanctions and Conditionality’, 2014.

²⁹ A. Bee, ‘Sanctions in the Benefit System: Evidence Review of JSA, IS and IB Sanctions’. Social Security Advisory Committee, 2006.

³⁰ Wright et al., ‘Punitive Benefit Sanctions’, 2020.

³¹ Watts et al., ‘Welfare Sanctions and Conditionality’, 2014.

³² YMCA, ‘Signed on and Sanctioned: An Insight Into Vulnerable Young People’s Perspectives on Benefit Sanctions’, 2016.

sanctions are applied regardless of personal extenuating circumstances, so the 'chaotic' circumstances a young person might find themselves in are not taken into account.³³ Lastly, Watts et al. have suggested that there may even be some form of discrimination – direct or indirect - against young people, most notably young men, within the benefits system which is putting them in even more dangerous and precarious circumstances.³⁴

That any age group and demographic are being disproportionately sanctioned and potentially discriminated against is a substantial problem in its own right, but this particular issue is further compounded by the fact that young men are already a relatively vulnerable group in terms of propensity to homelessness, crime and suicide. According to 2021 ONS figures, over 8 out of 10 people sleeping rough in England were male,³⁵ and according to the Police Foundation, young adults represent 'around 10 per cent of the UK population but account for a third of those sentenced to prison and 30-40 per cent of cases involving police time each year'.³⁶ Furthermore, across the globe, young men account for the highest proportion of suicides, and are consequently disproportionately more likely to suffer from mental health issues that result in suicide, including childhood disorders, drug and alcohol dependence, and personality disorders.³⁷ ³⁸ Therefore, young men – who are already at a higher risk of serious mental health issues, homelessness and police interaction – face the double jeopardy of being far more likely to receive benefit sanctions, worsening an already difficult situation and potentially pushing young men towards the very circumstances to which they are already predisposed. Throughout this report we will demonstrate that young men are not only more likely to be sanctioned, but that the effects of these sanctions have a more pronounced impact on this demographic due to their proclivity to certain circumstances and health conditions, as outlined above.

³³ YMCA, 'Signed on and Sanctioned', 2016.

³⁴ Watts et al., 'Welfare Sanctions and Conditionality', 2014.

³⁵ T. Capon, 'Rough Sleeping in the UK: 2002 to 2021' Office for National Statistics, 2021.

³⁶ Wright et al., 'Punitive Benefit Sanctions', 2020.

³⁷ A. Pitman et al., 'Suicide in Young Men'. The Lancet, vol. 379, no. 9834, 2012, pp. 2383-2392.

³⁸ E. Isometsa et al., 'Mental Disorders in Young and Middle-Aged Men Who Commit Suicide'. The British Medical Journal, vol. 310, no. 1366, 1995.

Employment outcomes

The primary function of sanctions is to encourage Universal Credit claimants to find work, thereby ending or reducing their time on benefits.³⁹ Yet, the recently published report from the Department of Work and Pensions (DWP) found that ‘sanctions do not lead to large shifts in job finding rates’ and can actually impact the ‘type of job that people take up, shifting people towards lower paying work that changes their UC work group without ending their UC spell’.⁴⁰ A study by the Joseph Rowntree Foundation (JRF) supported this conclusion, asserting that benefit sanctions may actually ‘lower the likelihood of sustainable employment and incomes’.⁴¹

The JRF has also highlighted the disproportionate effect that benefit sanctions have on the job prospects of young men ages 25-29; not only are young men statistically more likely to receive a sanction than any other demographic, but research has shown that young men who enter the labour force in lower paid work are more likely to stay at this level throughout their careers, which severely impacts their long-term earning potential and career development.⁴² Given that young men have on average, worse educational outcomes than young women,⁴³ they are already predisposed to taking on less skilled, less stable and lower paid work, which may lead them to rely on UC again to top up their income – if sanctions are then imposed and these men are pushed into lower paid work, this only perpetuates an already vicious cycle.

While the DWP report does acknowledge ‘the likely positive deterrent’ that the sanction regime provides in terms of encouraging claimants to attend Job Centre appointments, there is a debate as to whether it is the threat of sanctions or simply the nature of conditionality which constitutes this deterrent.⁴⁴ Even if we accept that sanctions can push claimants into work, these jobs are lower paid, leading to a net negative effect, as those sanctioned work for roughly the same amount of time but earn less than those not sanctioned.

It is, however, necessary to consider the limitations of these findings. The methods used by the DWP in their discovery have been criticised for their inability to compare the employment outcomes of people who would have had

³⁹ Work and Pensions Committee, ‘Benefit Sanctions Nineteenth Report of Session 2017–19’, 2018.

⁴⁰ DWP, ‘The Impact of Benefit Sanctions’, 2023.

⁴¹ Watts et al., ‘Welfare Sanctions and Conditionality’, 2014.

⁴² A. Furlong & F. Cartmel, ‘Vulnerable Young Men in Fragile Labour Markets’, Joseph Rowntree Foundation, 2004, pp.1-38.

⁴³ C. Cavaglia et al., ‘Gender, Achievement and Subject Choice in English Education’. Oxford Review of Economic Policy, vol. 36, no. 4, 2020, pp. 816-835.

⁴⁴ K. Harrison, ‘The Sanctions Spiral: The Unequal Impact and Hardship Caused by Sanctions in Universal Credit’, Citizens Advice Bureau, 2023.

the same outcomes as one another, had they not been sanctioned.⁴⁵ The Institute for Fiscal Studies (IFS) argues that the DWP compromised the validity of their findings by simply comparing claimants with sanctions to those without, instead of acknowledging that the claimants who are more likely to be sanctioned are, by nature, more likely to be in lower-paid work regardless of the sanction.⁴⁶ The IFS consequently argues that the poor employment outcomes of sanctioned UC claimants are determined by the individual's character and propensity to find work, as opposed to the sanctions themselves.⁴⁷

Yet the IFS's rebuttal of the DWP's findings is flawed in two ways. Firstly, their argument ignores the harsh reality that many people are unjustly or incorrectly sanctioned.⁴⁸ A study of JSA claimants by Stewart and Wright in 2018 found that claimants were receiving sanctions for extremely 'minor transgressions', such as being a few of minutes late for an appointment with their work coach.⁴⁹ Furthermore, some claimants are given impossible and impractical tasks by their work coaches, only to be sanctioned when they inevitably cannot complete them; one interviewee in a 2020 study described how he received a four-week sanction which left him without money for food after refusing to apply for a job which was over 100 miles away from where he lived.⁵⁰

Secondly, it is a rather substantial accusation for the IFS to level that all benefit claimants who receive sanctions would have poor employment outcomes regardless of these sanctions, as this strongly implies that people who receive sanctions are inherently averse to finding work, a sweeping and false generalisation. This could not be further from the truth. The claimant from the example above had, prior to his sanction, been desperately searching for a job, applying for three jobs per day, and had extensive warehouse and management experience.⁵¹ After he received a sanction, the claimant told the authors of the study that he began fruitlessly applying for job after job he was not qualified for and knew he would not get, simply to avoid another sanction.⁵²

Similarly, Stewart and Wright found that rather than feeling forced into work by the threat of sanctions, most of the claimants they interviewed – the majority of whom had received at least one sanction – said they already had a 'strong desire to find work' regardless of conditionality and felt that the scrutiny they were submitted to by the sanction regime was unnecessary and deliberately

⁴⁵ T. Waters, 'New DWP Study on Sanctions May Not Be All It Seems', Institute for Fiscal Studies, 2023.

⁴⁶ Waters, 'New DWP Study on Sanctions', 2023.

⁴⁷ Waters, 'New DWP Study on Sanctions', 2023.

⁴⁸ Fletcher & Wright, 'A Hand Up or a Slap Down?', 2018.

⁴⁹ A. Stewart & S. Wright, 'Final findings: Jobseekers', Economic and Social Research Council, 2018.

⁵⁰ Wright et al., 'Punitive Benefit Sanctions', 2020.

⁵¹ Wright et al., 'Punitive Benefit Sanctions', 2020.

⁵² Wright et al., 'Punitive Benefit Sanctions', 2020.

punitive.⁵³ The stringency of conditionality and the threat of sanctions do not motivate claimants to find work, but rather simply result in claimants wasting their time on pointless and inevitably futile job applications to avoid a sanction.

In a 2018 study conducted by Peter Dwyer of 481 welfare service users, 'less than a handful' agreed that the threat of a sanction actually motivated them to find work.⁵⁴ In fact, only one man spoke of a benefit sanction having a positive impact saying:

[the sanction] gave me the kick up the arse I needed to get a job it made me more determined in finding a job working my arse off and being a better person than what the Jobcentre Plus made me out to be'.

While, in this claimant's case, a sanction proved to be effective, it should be noted that this was the 'single standout example' of someone asserting that a benefit sanction had encouraged them to seek work in Dwyer's study of 481 people. And despite this positive review, this respondent had, in fact, previously stated in an earlier interview:

'I got sanctioned by the Jobcentre Plus because I didn't have a note from the hospital stating that I was in hospital after trying to take my life. They're supposed to help people get work, but they don't...'.⁵⁵

Dwyer found that this respondent's work habits over the previous two years followed the same pattern as many others, characterised by short, sporadic stints of employment followed by periods of reliance on unemployment benefits.⁵⁶

There were a few other outliers in Dwyer's study whose experience at face value seems to suggest that sanctions can fulfil their purpose of pushing people into work. One woman, despite struggling with severe depression, took a job due to the 'omnipresent threat' of sanctions.⁵⁷ Yet this woman was unemployed again within a year as the job had worsened her mental health and she was no longer able to work. In this case, the sanction regime successfully forced the claimant to get a job, but this experience ultimately made no long-term difference to her employment outcome and left her worse off with regards to her mental health.⁵⁸ The only other case Dwyer could find of a claimant successfully being pushed into work because of the sanction regime was a man whose 'hatred of the whole Jobcentre Plus and Work Programme and sanctions' had encouraged him to

⁵³ Stewart & Wright, 'Final findings', 2018.

⁵⁴ P. Dwyer, 'Punitive and Ineffective: Benefit Sanctions within Social Security'. *Journal of Social Security Law*, 2018, pp. 142-157.

⁵⁵ Dwyer, 'Punitive and Ineffective', 2018.

⁵⁶ Dwyer, 'Punitive and Ineffective', 2018.

⁵⁷ Dwyer, 'Punitive and Ineffective', 2018.

⁵⁸ Dwyer, 'Punitive and Ineffective', 2018.

become self-employed.⁵⁹ The depiction of conditionality as a dysfunctional system so infuriating that it forces someone into self-employment should not be regarded as a glowing review of the sanctions regime.

Lastly, the severity of the sanction has been found to have little impact on employment outcomes. A study of Jobseekers Allowance sanctions from 2001 to 2014 found that harsher sanctions have 'no observable impact on flows into employment'⁶⁰ and, as such, have little to no real impact on employment outcomes.⁶¹ The lack of correlation between harsher sanctions and positive job outcomes indicates that inflicting a harsh sanction will not make a claimant any more likely to move into employment, and is therefore entirely unnecessary.



Venetia's* story

Venetia lives with her partner, Michael, and their young children. Michael had been employed until he recently and unexpectedly lost his job. After Venetia accidentally incorrectly updated her work journal, the couple was sanctioned, and their Universal Credit payments suddenly stopped. Despite the DWP accepting that a mistake had been made and advising they would re-instate their claim, this took a considerable length of time to process, leaving Venetia and her family without any income for two months. In the meantime, the family had to resort to food and fuel vouchers.

*Name has been changed for anonymity

⁵⁹ Dwyer, 'Punitive and Ineffective', 2018.

⁶⁰ E. Williams, 'The Impact of DWP Benefit Sanctions on Anxiety and Depression', London School of Economics, 2020.

⁶¹ M. Taulbut et al., 'Job Seeker's Allowance Benefit Sanctions and Labour Market Outcomes in Britain, 2001-2014', Cambridge Journal of Economics, vol. 42, no. 5, 2018, pp.1417-1434.

Wages and financial hardship

Even if benefit sanctions were successful in getting claimants into work, the jobs available to claimants who have received a sanction are often paid less than the jobs available to their non-sanctioned counterparts. This impact is felt even more deeply by young people; as the DWP report found, 'sanctioned claimants under the age of 26 fare worse than average, earning £43 per month less than non-sanctioned claimants in the same age group'.⁶²

Furthermore, the DWP found evidence that as the number of sanctions received increases, so does the corresponding negative impact on wages. The study found that claimants who receive a third sanction earn on average £15 less per month than those who receive only a second sanction, suggesting that receiving multiple sanctions can have a cumulatively destructive effect.⁶³

The DWP also investigated the impact of the severity of individual sanctions on wages. Sanctions are classed as either low, medium or high, and the severity of the sanction corresponds to the severity of the claimant's supposed transgression.⁶⁴ The DWP found that 'high' sanctions actually have a positive impact on earnings (an increase of £17 per month), a finding which could be construed as an indication that the extreme nature of high sanctions forces people into searching for jobs.⁶⁵ However, another, more probable, explanation is that those who receive high sanctions often do so because they have turned down a job offer or voluntarily left their employment.⁶⁶ This suggests that those who receive higher sanctions have a higher likelihood of being employed in the first instance, as they may well have already received a job offer or been previously employed. As such, it may be that these claimants are more able to find paid work and by extension have greater potential to earn more when they are finally able to move off UC (or up a UC bracket) than other claimants.

More pertinently, the DWP report found that medium and low-level sanctions have a negative effect on earnings (£16 and £39 less a month respectively).⁶⁷ The fact that even low-level sanctions, which are imposed for very small indiscretions, have such a depressive effect on wages is perhaps the most damning indictment of the sanctions system and an indication that sanctions are fundamentally not fit for purpose.

Additionally, sanctions also inflict acute short-term financial hardship. Stewart and Wright found anecdotal evidence that sanctions can actually cause such

⁶² DWP, 'The Impact of Benefit Sanctions', 2023.

⁶³ DWP, 'The Impact of Benefit Sanctions', 2023.

⁶⁴ Fletcher & Wright, 'A Hand Up or a Slap Down?', 2018.

⁶⁵ DWP, 'The Impact of Benefit Sanctions', 2023.

⁶⁶ Fletcher & Wright, 'A Hand Up or a Slap Down?', 2018.

⁶⁷ DWP, 'The Impact of Benefit Sanctions', 2023.

immediate financial hardship that it is difficult for claimants to fulfil their work commitments, thereby increasing their chances of receiving yet another sanction.⁶⁸ For instance, after a sanction some UC recipients are unable to access the places in which they are meant to be job searching as they simply cannot afford to travel, while others cannot put enough credit on their phone to return calls about a job.^{69, 70} As one respondent put it:

[sanctions] have held me back from being able to go and look for work ... I wasn't able to get out and look for work further away, but if I wasn't sanctioned I would've been able to look for work in [nearby city].⁷¹

Another claimant in Dwyer et al.'s study described:

'sanctioning me and cutting down on my money obviously leaves me less money to live on and if I've got less money to live on, I can't go for these job interviews, I can't put credit on my phone to phone for jobs'.⁷²

These testimonies demonstrate that the financial impact of sanctions can result in the jobseeker moving even further away from the alleged aim of the sanction: finding work.

Sanctions have also been found to have negative long-term financial implications, with the 2016 study conducted by Dwyer and Bright discovering increased borrowing and debt as a 'strongly recurrent theme across 480 service user interviews'.⁷³ For sanctioned claimants, the effect of increased debt can be absolutely crushing, as borrowing money for essentials such as heating and food can lead to the sanctioned claimant having to pay back huge loans. Another study conducted in 2001 found that those sanctioned on JSA often fell into debt, as well as falling back onto a variety of other financial coping strategies, incurring debts of up to £800.⁷⁴

While sanctions are intended to inflict a short-term financial shock, as this underpins the fundamental theory of how sanctions motivate claimants to find work, the system is putting claimants at very real risk of long-term hardship, which is an inexcusable by-product of the regime. The fact that medium and low-level sanctions can have such long-term depressive effects on wages means that claimants who are subject to sanctions face two counts of financial hardship – once in the short term when they first receive the sanction, followed by the

⁶⁸ Stewart & Wright, 'Final findings', 2018.

⁶⁹ Stewart & Wright, 'Final findings', 2018.

⁷⁰ P. Dwyer et al. 'Final Findings Report: The Welfare Conditionality Project 2013-2018', University of York, 2018.

⁷¹ Stewart & Wright, 'Final findings', 2018.

⁷² Dwyer et al. 'Final Findings Report', 2018.

⁷³ Dwyer & Bright, 'First Wave Findings', 2016.

⁷⁴ T. Saunders et al. 'The Impact of the 26-Week Sanctioning Regime'. ES Research Report No. ESR100, 2001.

longer-term effects of accruing high levels of debt and being paid lower wages when they are able to find employment. Even if sanctions could be judged as successful in motivating some claimants to find work, the very act of being sanctioned sends them out into the workforce at a distinct disadvantage.



Peter's* story

Peter was recently admitted to hospital, spending several days in the Intensive Care Unit following the development of a serious medical condition. Peter is on UC and is disabled but is still classed as fit for work. After being discharged from hospital, Peter's recovery took longer than anticipated, so he was unable to return to his work search appointments as soon as he had planned. As he was still quite unwell and had a sick note for two-months, Peter was not checking his UC journal, so he did not realise that he had been issued a 91-day sanction for missing appointments. Peter knew that the severity of this sanction was unfair and planned to challenge it in light of his health conditions, but was still, understandably, extremely distressed by the prospect of losing almost all his income for three months.

*Name has been changed for anonymity

Crime

In 2010, a study commissioned by the Joseph Rowntree Foundation uncovered links between sanctions and higher crime rates, an effect that is even more severe for young men, as they have the highest offending rates of any age and gender.⁷⁵ Dwyer and Bright's 2016 study similarly found qualitative evidence for increased crime rates caused by benefit sanctions due to the desperation of claimants who are sanctioned. Dwyer and Bright interviewed one homeless man who explained:

'I got a sanctioned for not going to an interview. I got sanctioned for a month... It made me shoplift to tell you the truth. I couldn't survive with no money. I was homeless... So, if I needed something I'd have to 'borrow it' from [supermarket] or something'.⁷⁶

Another male offender said 'I just gave it up [the benefit claim] and didn't bother with it again. Carried on just going out every day, thieving'.⁷⁷ Wright, Fletcher and Stewart also interviewed a sanctioned claimant who was arrested for shoplifting, who simply explained, 'I was so hungry I needed to feed myself'.⁷⁸

These examples are indicative a broader pattern of qualitative evidence discovered by Dwyer and Bright of sanctioned benefit claimants turning to survival crime when they do not have enough money to live on.⁷⁹ As one interviewee in a study undertaken by the YMCA simply put it, 'my focus turned to survival, rather than gaining employment'. Forced into destitution by benefit sanctions, a claimant's priority is no longer abiding by the terms of conditionality, but simply staying alive.

These stories bear similarity to quantitative evidence found in the 2004 study by Machin and Marie which investigated crime rates in areas affected the introduction of JSA in 1996.⁸⁰ Machin and Marie found that areas more affected by the new, tougher benefit regime experienced a greater rise in crime rates, as the introduction of harsh JSA sanctions pushed claimants who were previously just scraping by into crime to survive.⁸¹ Seeing as young people are both more likely to be sanctioned and also constitute a disproportionate percentage of

⁷⁵ J. Griggs & M. Evans, 'Sanctions Within Conditional Benefit Systems'. Joseph Rowntree Foundation, 2010.

⁷⁶ Dwyer & Bright, 'First Wave Findings', 2016.

⁷⁷ Dwyer & Bright, 'First Wave Findings', 2016.

⁷⁸ Wright et al., 'Punitive Benefit Sanctions', 2020.

⁷⁹ Dwyer & Bright, 'First Wave Findings', 2016.

⁸⁰ S. Machin & O. Marie, 'Crime and Benefit Sanctions'. Centre for Economic Performance, Discussion Paper No. 645, 2004.

⁸¹ Machin & Marie 'Crime and Benefit Sanctions', 2004.

prison populations, it is reasonable to assume that the link between sanctions and crime is only exacerbated for young, male claimants.⁸²

There is a further link between sanctions and crime that warrants investigation, which is how the rhetoric and attitudes surrounding Universal Credit criminalise claimants. Wright et al. argue that the current sanction regime is reminiscent of a punitive penal system which focuses on punishment of offenders instead of rehabilitation.⁸³ As a result, punitive attitudes have been allowed to seep into the functioning of Universal Credit, whereby claimants are expected to engage in 'mandatory self-help'⁸⁴ and are given minimal support in meeting the demands of conditionality, then are punished when they inevitably fall short.⁸⁵

Even the language used to describe claimants has been criminalised. Jobcentres now use terms such as 'offences' and 'transgressions' when a claimant misses an appointment instead of 'mistakes' or 'accidents', and what was once referred to as 'poverty' and 'destitution' became known as 'welfare dependency', placing the blame on the recipient for their unemployment as opposed to having empathy for their circumstances.⁸⁶

Fletcher and Wright argue that Universal Jobmatch (now referred to as Find a Job, the system welfare recipients are forced to scour for hours in search of potential jobs) purely serves the purpose of digital surveillance and exists primarily to gather evidence to impose sanctions, rather than actually being a useful tool for claimants to find work.⁸⁷ Wright et al. even go as far as to liken Universal Jobmatch to a 19th century 'treadwheel': a futile and humiliating form of punishment whereby convicts were made to climb a cyclical 'never-ending staircase' for hours in front of other inmates.⁸⁸ Wright et al. maintain that forcing claimants to endlessly and fruitlessly apply for extremely low-paid jobs mirrors this degrading form of Victorian-era punishment, and essentially blames recipients for not being able to find employment, as opposed to providing the necessary support to empower claimants to find rewarding work.⁸⁹

⁸² The Police Foundation, 'Policing Young Adults: Developing a Tailored Approach', 2018.

⁸³ Wright et al., 'Punitive Benefit Sanctions', 2020.

⁸⁴ Fletcher & Wright, 'A Hand Up or a Slap Down?', 2018.

⁸⁵ Wright et al., 'Punitive Benefit Sanctions', 2020.

⁸⁶ Wright et al., 'Punitive Benefit Sanctions', 2020.

⁸⁷ Fletcher & Wright, 'A Hand Up or a Slap Down?', 2018.

⁸⁸ Wright et al., 'Punitive Benefit Sanctions', 2020.

⁸⁹ Wright et al., 'Punitive Benefit Sanctions', 2020.

Mental Health

The negative impact of benefit sanctions on mental health is well documented, with existing UK studies from the early-mid 2000s uncovering the many psychological and emotional impacts of sanctions, including but not limited to: depression, anxiety, anger, panic, low mood, frustration and even humiliation.^{90, 91}

More recently, a study of anti-depressant prescriptions in 2019 discovered a direct connection between benefit sanctions and depression.⁹² Williams' study demonstrates that higher sanction rates correspond to increased rates of anti-depressant prescribing within local authorities, which is 'indicative of adverse mental health impacts' such as anxiety and depression.⁹³ For every ten additional sanctions there was an associated rise of 4.57 additional anti-depressant items prescribed, which equates to approximately one more person receiving treatment per every ten additional sanctions.⁹⁴ While the confidentiality of individual patient data meant that these statistics could not be adjusted to cover only the working age population, given that the working age range is considerable and spans from 16 to 64 years of age, Williams is confident that the inclusion of data from patients outside of this age range was 'unlikely to unduly influence the results'.⁹⁵

Overall, this study is extremely valuable in understanding the link between sanctions and mental health problems. The fact that one in ten people sanctioned will develop or experience an exacerbation of an existing mental health condition is a highly concerning statistic, and a level of human suffering that should not be ignored.

Another recent study by Stewart and Wright of 46 UC claimants also found a strong connection between benefit sanctions and 'worsening physical and mental health'⁹⁶, while a similar study in 2018 conducted with 43 JSA claimants, of whom at least 50% of which had been sanctioned, found that sanctions and the threat of sanctions caused participants to be 'anxious and stressed', and also increased claimants' depression and anger.⁹⁷ One male UC recipient stated:

⁹⁰ Saunders et al., 'The Impact of the 26-Week Sanctioning Regime', 2001.

⁹¹ M. Peters & L. Joyce, 'Review of the JSA Sanction Regime: Summary Research Findings', DWP Research Report No. 313, 2006.

⁹² Williams, 'Unemployment, Sanctions and Mental Health', 2019.

⁹³ Williams, 'Unemployment, Sanctions and Mental Health', 2019.

⁹⁴ Williams, 'Unemployment, Sanctions and Mental Health', 2019.

⁹⁵ Williams, 'Unemployment, Sanctions and Mental Health', 2019.

⁹⁶ Stewart & Wright, 'Final findings', 2018.

⁹⁷ Dwyer et al. 'Final Findings Report', 2018.

'It's just gradually got worse, and with my anxiety and depression, the stress of this Universal Credit, the stress of trying to get jobs, and just trying to function within a flat'.⁹⁸

Stewart and Wright also found that it is not only receiving a sanction that influences a claimant's mental health, but that the threat alone can be equally distressing. One UC recipient in their study described fear of sanctions as fear of losing food and housing: 'It's not only losing benefit, as in losing money for your food and that, I'd lose my house as well'.⁹⁹ Clearly, the very existence of conditionality places claimants under stress due to the constant fear that their benefits might be suspended.

Furthermore, the fact that work coaches can vary the terms of their work requirements at any point also makes claimants feel consistently uneasy, with some interviewees in Stewart and Wright's study having their conditionality changed to the extent that they had to attend Jobcentre Plus daily. Claimants described this as 'unhelpful, stressful and degrading'.¹⁰⁰ One interviewee described the experience:

'For me personally, it was having a horrible effect on myself going down there every day... it was demeaning. It's like it wasn't just you're coming down every day to find a job... it was like I was trying to prove, almost prove my worth for life'.¹⁰¹

Some disabled claimants shared that the stress of constantly meeting work requirements encouraged them to apply for disability benefits instead to rid themselves of conditionality.¹⁰² Even those who were complying with their conditionality and were at no risk of receiving a sanction still experienced stress:

'I do everything they ask me to do. But towards the signing on dates, particularly the night before, you're anxious because you wonder not what you've done, it's what you haven't done. That's the psychological pressure. And as you well know, stress is a health problem'.¹⁰³

Some UC claimants would rather simply give up in the face of the pressure and stress of conditionality; one UC recipient said, 'I said to him [work coach], 'I'm not going to argue with you and I'm trying my best'... and with that I left the Jobcentre, and I've not returned'.¹⁰⁴

⁹⁸ Dwyer et al. 'Final Findings Report', 2018.

⁹⁹ Stewart & Wright, 'Final findings', 2018.

¹⁰⁰ Stewart & Wright, 'Final findings', 2018.

¹⁰¹ Stewart & Wright, 'Final findings', 2018.

¹⁰² Stewart & Wright, 'Final findings', 2018.

¹⁰³ Stewart & Wright, 'Final findings', 2018.

¹⁰⁴ Stewart & Wright, 'Final findings', 2018.

As mentioned previously in this report, one claimant in Dwyer's 2018 study said the main reason he managed to find work was because he was 'trying to be a better person than what the Jobcentre Plus made [him] out to be'.¹⁰⁵ This reflects an inherent problem within our welfare system, which is that the system of sanctions and conditionality relentlessly conveys the message that out-of-work claimants are not good enough, and that they are unemployable and lazy.¹⁰⁶ This, in turn, makes claimants blame themselves for their inability to find work instead of being able to identify the many structural barriers they face both within and without the benefit system that makes it difficult for them to find employment.¹⁰⁷ This can be particularly harmful, especially for young men, who are already more likely to have poorer employment outcomes, as it causes claimants to internalise a cycle of self-blame which can either cause mental health problems or exacerbate pre-existing ones. McManus et al. outline that unemployed people are among the top three groups of people most likely to suffer from mental health disorders.¹⁰⁸ As such, we must seriously consider whether it is appropriate for our benefit system to consistently make job seekers – a group who are already at risk of mental health problems – feel as though they are inadequate, idle and inherently bad people.

Additionally, the higher prevalence of certain mental health issues in young men means that they are likely to feel these effects even more severely.¹⁰⁹ Given that young men generally have a higher susceptibility to mental health problems that lead to suicide and also constitute the demographic group most likely to be sanctioned, the link between sanctions and declining mental health is even more concerning for young men.¹¹⁰ In fact, one male claimant in Wright et al.'s study described how a sanction brought on such a severe mental health crisis that he considered suicide:

'They're [Jobcentre Plus] maybe not killing people and all that directly, but they're killing people indirectly putting people under too much pressure [...] And they wonder why people are killing themselves'.¹¹¹

Lastly, it is important to note that the link between sanctions and mental health is not one-way; there is evidence that poor mental health can, and often does, cause claimants to engage in behaviours which then result in a sanction. One sanctioned claimant described how her anxiety and depression made her more forgetful, and she often forgot to inform her work coach of the very valid

¹⁰⁵ Dwyer, 'Punitive and Ineffective', 2018.

¹⁰⁶ Dwyer, 'Punitive and Ineffective', 2018.

¹⁰⁷ Dwyer, 'Punitive and Ineffective', 2018.

¹⁰⁸ S. McManus et al., 'Mental health and wellbeing in England: Adult Psychiatric Morbidity Survey 2014', Leeds: NHS Digital, 2016.

¹⁰⁹ A. Pitman et al., 'Suicide in Young Men', *The Lancet*, vol. 379, no. 9834, 2012, pp. 2383-2392.

¹¹⁰ Pitman et al., 'Suicide in Young Men', 2012.

¹¹¹ Wright et al., 'Punitive Benefit Sanctions', 2020.

reasons she had for missing an appointment.¹¹² Unsurprisingly, the claimant was sanctioned regardless, thus precipitating a vicious cycle of worsening mental health and sanctioning whereby if you suffer from mental health issues you are less likely to be able to fulfil your work requirements, leading to sanctions which will only exacerbate your mental health problems. In a nutshell, many welfare recipients who receive a sanction are likely to already be in a vulnerable situation, so issuing a sanction will not have the intended effect of encouraging the claimant to find work but will simply make the situation worse.¹¹³

In light of all the evidence of the extremely negative effect that sanctions can have on a recipient's mental health, it is unsurprising that Mental Health Foundation advocates for abolishing sanctions, arguing that 'sanctions, which often lead to unwanted stress and anxiety and a worsening of mental health problems, should be halted entirely'.¹¹⁴

¹¹² E. Dowler & H. Lambie-Mumford, 'Food Aid: Living with Food Insecurity', Working Papers of the Communities & Culture Network, 2014.

¹¹³ R. Dorsett, 'Pathways to Work for New and Repeat Incapacity Benefits Claimants: Evaluation Synthesis Report', Department for Work and Pensions, no. 525, 2008, pp. 1-91.

¹¹⁴ Mental Health Foundation, 'Coronavirus: The Divergence of Mental Health Experiences During the Pandemic', 2020.

Food security

The destructive impact of benefit sanctions on food security has been demonstrated numerous times, both quantitatively and qualitatively.^{115, 116, 117, 118} A 2018 study by Loopstra et al. revealed that food insecurity is largely caused by 'insufficient and insecure' incomes, and households that are subject to a short-term income loss – such as a benefit sanction – are at an especially high risk of food insecurity.¹¹⁹ Loopstra et al. analysed Trussell Trust data on foodbank usage and compared this to sanctioning rates across the UK, discovering that every time the rate of sanctioning increased by 10 per 100,000 adults, the rate of foodbank usage increased by 3.36 per 100,000.¹²⁰

Another study also undertaken by Loopstra et al. demonstrated that this pattern is even more acute for deprived areas. Analysing distribution of food parcels in Derby, they found that when sanction rates rose to 13% of benefit claimants, food parcel distribution rose by an additional one food parcel per 100 people – not one parcel per 100 benefit claimants, one parcel per 100 residents.¹²¹

The Trussell Trust itself has long advocated for recognition that benefit sanctions directly result in increased food bank usage, as outlined in a 2016 evidence submission to the Work and Pensions Select Committee which found that over 50% of food bank referrals between 2013 and 2014 were caused by 'benefit changes', including sanctions and deductions.¹²²

Moreover, large swathes of qualitative evidence point towards sanctions as a cause of food insecurity. Dowler and Lambie-Mumford undertook a series of interviews in 2014 to uncover the lived experience of benefit claimants struggling with food insecurity.¹²³ One interviewee described how sanctions had left her and her two children without enough money to buy food after she failed to send in a sick note to her work coach.¹²⁴ Wright, Fletcher and Stewart also conducted interviews of benefit claimants in 2020 to explore the 'ethicality' of the sanction regime.¹²⁵ They found that sanctions often brought with them 'life-changing crises', such as eviction and consequent homelessness, that left

¹¹⁵ Loopstra et al., 'Impact of Welfare Benefit Sanctioning on Food Insecurity', 2018.

¹¹⁶ Dowler & Lambie-Mumford, 'Food Aid', 2014.

¹¹⁷ The Trussell Trust, 'Evidence Submitted To The Work And Pensions Select Committee Inquiry Into Benefit Sanctions', 2016.

¹¹⁸ R. Loopstra et al., 'Austerity, Sanctions, and the Rise of Food Banks in the UK', *The British Medical Journal*, 2015.

¹¹⁹ Loopstra et al., 'Impact of Welfare Benefit Sanctioning on Food Insecurity', 2018.

¹²⁰ Loopstra et al., 'Impact of Welfare Benefit Sanctioning on Food Insecurity', 2018.

¹²¹ Loopstra et al., 'Austerity, Sanctions, and the Rise of Food Banks', 2015.

¹²² The Trussell Trust, 'Select Committee Inquiry Into Benefit Sanctions', 2016.

¹²³ Dowler & Lambie-Mumford, 'Food Aid', 2014.

¹²⁴ Dowler & Lambie-Mumford, 'Food Aid', 2014.

¹²⁵ Wright et al., 'Punitive Benefit Sanctions', 2020.

claimants no option but to resort to foodbanks.¹²⁶ One claimant said that it is 'really degrading [...] stating you need help to feed yourself', while another said 'It's the first time I've ever had to go to a food bank. It was embarrassing'.¹²⁷ A third interviewee said, after receiving a four-week sanction, 'I had no money, no food and it put me in debt with the risk of losing my abode'.¹²⁸

The YMCA also conducted research on the impact of sanctions specifically on young, vulnerable people.¹²⁹ Many of the claimants interviewed demonstrated how the sanction they received had left them unable to buy food. One woman said, 'they left me with no money knowing I was pregnant and had to buy my own food', and a second claimant described how they spent 'three months living on food parcels...which is really degrading because you lose all your dignity'.¹³⁰

Many sanctioned claimants are entitled to apply for a 'hardship payment', a loan which would give claimants 60% of the sanction back to cover essentials like food.¹³¹ To claim such a payment, a claimant must provide the necessary evidence and then often wait several weeks for verdict, and must also not have missed a work-related activity in the last 7 days.¹³² Although this is a great initiative in theory, the efficacy of hardship payments and the need for such stringent criteria are debatable.

Firstly, individuals who apply must be over 18, as claimants aged 16-17 already have reduced benefits.¹³³ However, this should be the very reason 16 and 17-year-olds are able to apply. Individuals who have been sanctioned while on reduced benefits will feel the effects of the sanction even more keenly and, considering their age, this may have a knock-on effect on their ability to access housing, education and employment.¹³⁴

Additionally, a hardship payment can take weeks to apply for, given the need for extensive evidence. Although there are arguments that those who have been sanctioned can be offered food bank vouchers rather than a hardship payment, a foodbank cannot guarantee that all essentials are met, especially for large families on a daily basis, and is not a long-term solution.

¹²⁶ Wright et al., 'Punitive Benefit Sanctions', 2020.

¹²⁷ Wright et al., 'Punitive Benefit Sanctions', 2020.

¹²⁸ Wright et al., 'Punitive Benefit Sanctions', 2020.

¹²⁹ YMCA, 'Signed on and Sanctioned', 2016.

¹³⁰ YMCA, 'Signed on and Sanctioned', 2016.

¹³¹ Harrison, 'The Sanctions Spiral', 2023.

¹³² Citizens Advice Bureau, 'Get a hardship payment if you've been sanctioned', <https://www.citizensadvice.org.uk/benefits/universal-credit/sanctions/hardship-payment/>

¹³³ Turn2Us 'Young people and Benefits', <https://www.turn2us.org.uk/get-support/information-for-your-situation/young-people-and-benefits/young-people-in-work>

¹³⁴ S. Negus, 'Getting Personal: Investigating How Living with Universal Credit Affects Emotions and Identities', Doctoral, Sheffield Hallam University, 2021.

Furthermore, the hardship payment is a loan, not a grant, which can have detrimental effects on a claimant's long-term finances, as they are not only thrust into further debt, but must begin repaying the loan upon the ending of the sanction – this limits the claimant's income for even longer, effectively extending the sanction.¹³⁵

Lastly, individuals are unable to claim a hardship payment if they have failed a 'work-related requirement' in the last 7 days. This is problematic as it does not account for individuals who may not be able to meet work requirements due to, for example, having caring responsibilities, poor internet access, fleeing domestic violence, or not being able to afford appropriate attire or the commute to a job interview.¹³⁶

Overall, given the limitations of the hardship payment, is it not surprising that sanctioned claimants are often wary of taking this financial aid.¹³⁷



Talya's* story

Talya is the sole parent of two young children and is in receipt of Universal Credit. Talya had an appointment with her work coach which she had to miss as one of her children was unwell and needed to be taken to the hospital. Talya received warning of a sanction, which she had anticipated, and was told that if she attended an emergency appointment a few days later, the sanction would be cancelled. Talya attended the appointment, but nevertheless received a 59-week sanction. Talya was then told she was ineligible for the hardship allowance to tide her over during the sanction. As a result, Talya and her family were cut off by their energy provider and Talya had to turn to food banks to get food for her children while she waited for the appeal.

*Name has been changed for anonymity

¹³⁵ M. Cheetham et al., 'Impact of Universal Credit in North East England: a qualitative study of claimants and support staff', BMJ Open, 2019.

¹³⁶ S. Rahilly, 'Activating benefit claimants of working age in the U.K', Centre for European Research, University of Gothenburg, 2008.

¹³⁷ Harrison, 'The Sanctions Spiral', 2023.

Homelessness

In extreme cases – which are, sadly, not uncommon – sanctions can put claimants at a very serious risk of becoming homeless. For claimants who are already homeless, sanctions only serve to exacerbate the problem and make it harder for them to find accommodation. The homeless charity, Crisis, has identified increased benefit sanctions as a key factor in the current rising rates of homelessness.¹³⁸

Dwyer's 2018 study interviewed several benefit claimants who were forced into homelessness as a direct result of sanctioning.¹³⁹ One disabled homeless man told Dwyer that he had received several sanctions that set off a chain of events which led to him accruing rent arrears and ultimately being evicted.¹⁴⁰ The man had been reclassified as 'fit to work' despite his disability and was given strict work requirements that he unsurprisingly failed to meet. When he was sanctioned, he was told he was not entitled to a hardship payment and did not receive any benefit payments for six months. The claimant told Dwyer:

'I'm homeless, living on the street ... I couldn't pay the rent because I was sanctioned ... you can actually claim housing benefit without jobseekers, but then no-one tells you that then my rent ended up backing up and because my head was all over the place, I just couldn't deal with it'.¹⁴¹

Two years later, this same man informed Dwyer that he was homeless again and was rough sleeping, having completely given up on the benefits system after receiving even more sanctions. He now doesn't work or claim benefits, but volunteers at a homeless charity where he himself can also get food.¹⁴²

As with the link between sanctions and mental health issues, the causal mechanism at play between sanctions and homelessness does not only go one way; homeless claimants or claimants at risk of homelessness are inherently more likely to be sanctioned, meaning they face a vicious cycle of sanctions exacerbating their circumstances, making it harder to meet the requirements of conditionality, which then leads to more sanctions. Homeless UC recipients likely have limited or no access to post, meaning they may miss letters from their work coach.¹⁴³ In fact, a Trussell Trust report found that even homeless people who are able to find temporary accommodation still regularly miss post as their mail is often lost or tampered with.¹⁴⁴ Homeless claimants also have reduced phone,

¹³⁸ S. Fitzpatrick et al., 'The Homelessness Monitor: England 2023', Crisis, 2023.

¹³⁹ Dwyer, 'Punitive and Ineffective', 2018.

¹⁴⁰ Dwyer, 'Punitive and Ineffective', 2018.

¹⁴¹ Dwyer, 'Punitive and Ineffective', 2018.

¹⁴² Dwyer, 'Punitive and Ineffective', 2018.

¹⁴³ Harrison, 'The Sanctions Spiral', 2023.

¹⁴⁴ The Trussell Trust, 'Select Committee Inquiry Into Benefit Sanctions', 2016.

internet and email access, making communication with their work coach extremely difficult.¹⁴⁵ Furthermore, homeless claimants might also be staying with friends or family who live far from their local Jobcentre, making it harder to attend appointments with their work coach as they cannot afford the travel costs.¹⁴⁶ These factors make it almost impossible for homeless claimants to meet the requirement of the Jobcentre, essentially guaranteeing a sanction which will only further entrench them in homelessness.

It might be reasonable to assume that work coaches would take these mitigating factors into account when setting the requirements for homeless claimants, and no doubt many do. Yet, a 2018 Work and Pensions Committee report found evidence that work coaches often enforce work-related requirements on homeless claimants without any acknowledgement of their unique circumstances; young homeless claimants were told they had to spend hours on Universal Jobmatch, despite having little or no internet access.¹⁴⁷ In such cases, homeless claimants could be excused for feeling as though the system is indifferent to their circumstances.¹⁴⁸

These unrealistic and frankly out of touch requirements are setting welfare recipients up to fail and are indicative of a fundamental flaw in the system: there is no guarantee that personal circumstances will be taken into account. Whether or not a homeless claimant's work requirements will be modified to reflect the severity of their personal circumstances relies entirely on the individual work coach, as opposed to being intrinsic in the system. As articulated by the YMCA, the fact that claimants who are homeless or rough sleeping are not allowed to prioritise finding safe and stable accommodation and are instead forced to comply to the same requirements of conditionality as those who do have safe places to live, demonstrates that the system was not designed to take mitigating circumstances into account.¹⁴⁹ Unfortunately, evidence suggests that having a work coach who actively tailors and adjusts your work requirements to suit your needs is the exception, not the rule.

Lastly, it must be reiterated that 80% of homeless people are men, and it is young men in particular who are most likely to be sanctioned.¹⁵⁰ If sanctions are pushing people towards homelessness, this effect is only going to be felt even more acutely by young men. Furthermore, it is well-documented that criminal activity is more common among the homeless population, as the potential benefits of crime are often deemed to outweigh the consequences of getting

¹⁴⁵ Harrison, 'The Sanctions Spiral', 2023.

¹⁴⁶ Harrison, 'The Sanctions Spiral', 2023.

¹⁴⁷ Work and Pensions Committee, 'Benefit Sanctions Nineteenth Report', 2018.

¹⁴⁸ YMCA, 'Signed on and Sanctioned', 2016.

¹⁴⁹ YMCA, 'Signed on and Sanctioned', 2016.

¹⁵⁰ YMCA, 'Signed on and Sanctioned', 2016.

caught.¹⁵¹ Given that young men are also the most likely demographic to engage in criminal behaviour, they are also at greater risk of being caught in a pattern of receiving sanctions, becoming homeless as a result and falling into criminal behaviour to survive.¹⁵² This is a pattern which has potential to irreparably ruin lives and should therefore be taken seriously when considering the implications of the high rate of benefit sanctions among young male claimants.



Daniel's* story

Daniel is a young man with multiple mental health conditions who lives alone. He was sanctioned by the DWP for not attending his work search appointments at the Job Centre, and his payments were stopped completely. Daniel's work coach knew about his mental health problems and that he struggles with face-to-face appointments but sanctioned him regardless and refused to accommodate his needs or offer any alternative way of conducting appointments. As a result, Daniel has been left struggling to afford basic essentials, including food, and has accrued significant debts in an effort to survive.

*Name changed for anonymity.

¹⁵¹ L. Corno, 'Homelessness and Crime: Do Your Friends Matter?', *The Economic Journal*, vol. 127, no. 602, 2015, pp.959-995.

¹⁵² Wright et al., 'Punitive Benefit Sanctions', 2020.

Conclusion

In light of the evidence considered throughout this report, we conclude that benefit sanctions are not only failing to achieve their aim of 'getting people off benefits and into work',¹⁵³ but can actually inflict serious harm on some of the most vulnerable members of our society. With an alarming degree of frequency, sanctions result in poor employment outcomes, lower wages, higher rates of crime, deteriorating mental health, food insecurity and homelessness.

These effects are most notably felt by young men, as the group most likely to receive a sanction and the demographic most likely suffer from mental health issues resulting in suicide, as well as being already more predisposed to crime and homelessness. Young people are also more likely to suffer more acutely from a decrease in wages due to sanctions, with the average decrease in wages being £43 per month for those sanctioned under the age of 26.¹⁵⁴ Sanctions are clearly disproportionately affecting young people – young men in particular – and setting them up for a life confined to low wages and increased likelihood of crime and homelessness. This is an unacceptable finding. Our benefit system should, at its core, be designed to help claimants out of poverty, not worsen their prospects.

Furthermore, the fact that the rate of sanctions has increased in recent years (despite plenty of evidence that they do not help get claimants into work) is indicative of a flawed welfare system which, sadly, has less success helping claimants find work than it does monitoring behaviour, forcing compliance, and criminalising recipients for their misfortune.¹⁵⁵ As argued by Wright et al., there has been a 'fundamental shift' in our welfare system from supporting claimants in finding work to 'monitoring compliance with behavioural rules enforced by sanctions'.¹⁵⁶

With a new government having just entered Westminster, it is now more necessary than ever to highlight the inherent failings and destructive implications of the current system of benefit sanctions. The fact that one in ten people sanctioned develop a mental health condition serious enough to require prescription anti-depressants is an appalling statistic that should serve as a clear example of just how severely the welfare system is failing its recipients.¹⁵⁷

¹⁵³ Fletcher & Wright, 'A Hand Up or a Slap Down?', 2018.

¹⁵⁴ DWP, 'The Impact of Benefit Sanctions', 2023.

¹⁵⁵ Wright et al., 'Punitive Benefit Sanctions', 2020.

¹⁵⁶ Wright et al., 'Punitive Benefit Sanctions', 2020.

¹⁵⁷ Williams, 'Unemployment, Sanctions and Mental Health', 2019.

Recommendations

When we consider how to create a system that truly helps those on Universal Credit find long-term, rewarding employment, we propose that the most effective means of achieving this would be to dismantle the system of benefit sanctions entirely, and replace it with an incentive-based system, whereby claimants are rewarded for participating in work-related activities, instead of punished for failing to meet the conditions of their entitlement.

That said, we do appreciate that this would constitute a significant overhauling of the current system, which may not be possible at this time. As such, we have also compiled a list of smaller, more achievable and incremental reforms which will help mitigate some of the harsher and long-term impacts of benefit sanctions:

1) Flexibility in work plans

There should be better flexibility for those who are proactive in seeking employment. In contrast to the rigidity we have seen in our research, work coaches should take into consideration an individual's unique circumstances (such as having dependants or health conditions) and facilitate a work plan that takes these needs into consideration. This should include more promotion of part-time, remote and hybrid working, as well as placing more emphasis on a claimant's individual circumstances, needs and aspirations, so that they can find the most suitable job for themselves without being penalised.

We know that benefit sanctions disproportionately affect vulnerable groups, yet it is these groups who most need their personal circumstances taken into account and who would benefit most from further flexibility and empathy within the system.¹⁵⁸ While it is true that some job centres do already provide a level of flexibility, it is by no means a universal experience. Therefore, ensuring that there is a consistent approach with regards to tailoring a work plan to individual needs is crucial in ensuring that claimants are best equipped to find employment that suits them in the long term.

2) Mental health first aiders in all job centres

The protection of vulnerable groups must also be prioritised by way of reducing the damaging impact benefit sanctions can have on a claimant's mental health. It is important to acknowledge that those who are claiming benefits are already in

¹⁵⁸ S. Wright et al., 'Why benefit sanctions are both ineffective and harmful', London School of Economics, 2018.

great financial difficulty and consequently suffer more mental health issues due to the stress and anxiety of financial insecurity. To remedy this, job centres should employ mental health first aiders, train job coaches in mental health issues and establish designated mental health teams to provide emotional support for claimants and safeguard their wellbeing, which will, in turn, help propel them into employment. Again, this is already evident in some job centres, but ought to be the rule across them all.

3) Financial incentives for referrals

Financial incentives for referring fellow claimants to jobs, educational training and skills courses should be considered. This strategy would entail job centres offering small financial rewards to claimants who make a referral, for instance, a financial bonus could be given for referring another claimant to a Level 2 mental health aid course. Studies show that jobs are best spread through word of mouth, and financial incentives have been proven to help increase the exit from unemployment.¹⁵⁹ Creating a system of small financial rewards for helping other claimants find employment and training opportunities could help provide additional income for all claimants, but most importantly for those receiving a sanction.

4) A guarantee that claimant income never drops so low that they cannot afford essentials, even if sanctioned

We support the notion that there should be a mandatory rule in ensuring sanctions never go below an 'essential' threshold so that claimants still have enough money to live on. This is particularly important in the wake of the cost-of-living crisis which has driven up the price of essential goods. The 'essentials guarantee' campaign, supported by Citizens Advice as well as the Trussell Trust and the Joseph Rowntree Foundation, proposes that this should be £120 a week for a single adult and £200 for a couple, at the least.¹⁶⁰ We support the concept that UC payments should never be allowed to drop below a minimum level for essential costs and propose that this figure should include sanctions.

5) Reform to the hardship payment

Failing the implementation of recommendation number four, the hardship payment should be reformed, as this is currently the only avenue of support

¹⁵⁹ B. Van der Klaauw & J. C. Van Ours, 'Carrot and Stick: How Re-Employment Bonuses And Benefit Sanctions Affect Exit Rates From Welfare', *Journal of Applied Econometrics*, vol. 28, no. 2, 2011, pp. 275-296.

¹⁶⁰ Trussell Trust, 'Guarantee Our Essentials' <https://www.trusselltrust.org/get-involved/campaigns/guarantee-our-essentials/#:~:text=your%20candidate%20today-.We%20need%20an%20Essentials%20Guarantee,week%20for%20a%20single%20adult.>

available to sanctioned claimants. The hardship payment should be accessible in its entirety to all sanctioned claimants, as opposed to a limited few. The rule that decision-makers consider whether a claimant has asked a family or friends for money first should be scrapped, as this ignores the reality faced by many vulnerable groups, such as victims of domestic violence, that this option is not available to them.¹⁶¹ Furthermore, every effort should be made to reduce the long wait times for payment, as this hinders a claimant's ability to buy essentials while they wait for a decision and inevitably delays their search for employment if they cannot afford to participate in work-related activities.

Moreover, the fact that claimants cannot apply for the hardship payment if they failed a work-related requirement in the last 7 days is contradictory, as it means that recently sanctioned claimants may have to wait a week to apply. This rule also ignores the fact that a claimant may have been sanctioned unfairly or incorrectly and may actually have a very valid reason as to why they cannot currently complete their work-related activities. In this scenario, a claimant needs financial support after a sanction, but is unable to apply for the hardship payment because they cannot complete their work-related activities for the very same reason they were sanctioned in the first place. We recommend that all sanctioned claimants should be automatically eligible to apply for the hardship payment.

Lastly, even for those who are eligible and meet the criteria, the hardship payment has to be paid back after the sanction is lifted, which has effect of essentially extending the sanction period and prolonging the period of financial difficulty. To counter this, we propose that hardships payments should be given as a grant rather than a loan.

6) Financial support for the costs of work-related activities

Another way in which job centres can support claimants in meeting their work requirements is by providing financial aid to help cover the costs of work-related activities, such as travel to an interview, commuting to a workplace and appropriate office attire. McKay et al. argued that claimants' job searches are limited by transportation costs like bus and train fares as well as phone services charges (such as data and phone calls).¹⁶² Although schemes such as the Flexible Support Fund exist for these purposes, this fund is often underused and

¹⁶¹ Turn2Us, 'Universal Credit Hardship Payments', <https://www.turn2us.org.uk/get-support/information-for-your-situation/hardship-payments/universal-credit-hardship-payments#:~:text=You%20can%20qualify%20for%20a,don't%20get%20a%20payment>

¹⁶² S. McKay et al. 'Unemployment and job-seeking after the introduction of jobseekers allowance', DWP Research Report No. 99, 1999.

underpublicized, resulting in the fund's budget being regularly underspent.¹⁶³ By providing more reliable and widely available financial aid specifically to cover the costs of these work-related activities, job centres can simultaneously equip individuals with the correct tools to tackle the search for employment and reduce the number of sanctions issued.

7) More regular reporting from the DWP

Lastly, regular monitoring of the rate of sanctions and their implications on a local level is a vital part of holding the DWP to account and ensuring that the current system is supporting and not harming local claimants. Currently, the DWP only uploads data on sanction rates to Stat-Xplore once every three months. Producing more regular reports would help local authorities, charitable organisations and job centres monitor sanction rates more effectively and identify the needs of the community in real-time, as opposed to several months after the fact.

Taken together, we believe these recommendations can help mitigate some of the harsher effects of the sanctions system, as outlined in this report, and would provide a sufficient temporary solution to these problems, until such a time as the government is able to implement an incentive-based regime to replace benefit sanctions entirely.

¹⁶³ Turn2Us, 'What is the Flexible Support Fund?', <https://www.turn2us.org.uk/about-us/news-and-media/latest-news/what-is-the-flexible-support-fund>

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