



# THE SANCTIONS SURGE

SHINING A LIGHT ON  
THE UNIVERSAL CREDIT  
SANCTIONS REGIME

**Henry Parkes**

March 2023

Institute for Public Policy Research

## ABOUT THE AUTHORS

Henry Parkes is a senior economist at IPPR

## ACKNOWLEDGEMENTS

Thanks to Rachel Statham and Richard Maclean at IPPR for their support with this briefing.

This work was supported by the Lloyds Bank Foundation for England and Wales.

---

### Download

This document is available to download as a free PDF and in other formats at:

<http://www.ippr.org/research/publications/the-sanctions-surge>

### Citation

If you are using this document in your own writing, our preferred citation is:

Parkes H (2023) *The sanctions surge: Shining a light on the universal credit sanctions regime*, IPPR.

<http://www.ippr.org/research/publications/the-sanctions-surge>

### Permission to share

This document is published under a creative commons licence:

Attribution-NonCommercial-NoDerivs 2.0 UK

<http://creativecommons.org/licenses/by-nc-nd/2.0/uk/>

For commercial use, please contact [info@ippr.org](mailto:info@ippr.org)



## INTRODUCTION

As the cost of living crisis rages on, the UK's social safety net has a critical role to play in protecting people from deepening poverty and destitution. But a concerning trend has emerged: the rate of universal credit (UC) claimants experiencing sanctions has risen rapidly since the start of the Covid-19 pandemic – with more than one in 12 (7.9 per cent) of claimants subject to sanctions in the latest snapshot data. This means that over 100,000 people on UC have had their benefit payments stopped or reduced because they have been deemed not to have met the conditions imposed by Job Centre Plus.

This trend is particularly concerning for two reasons: first, as the cost of living rises faster than average wages or benefit rates, more people relying on social security are at risk of hardship and destitution if their payments are reduced and they are unable to afford basic essentials as a result. Second, big policy changes ahead are likely to lead to more people being sanctioned across the UK: at the recent spring budget, the government announced plans to 'strengthen the way sanctions are applied' and to introduce work search conditions to wider groups, including lead carers for younger children (HMT 2023).

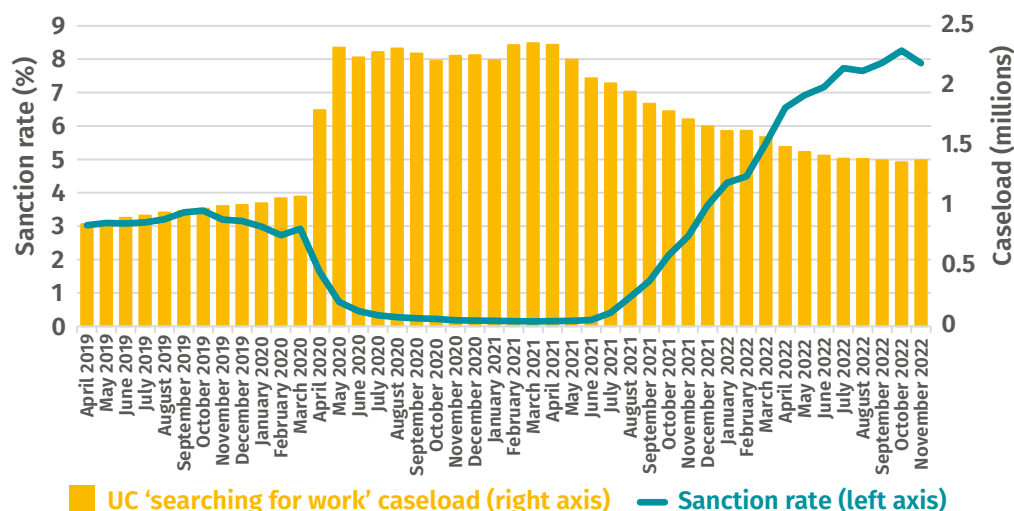
This briefing paper seeks to shine a light on the benefit sanctions regime in UC by analysing publicly available data from the Department for Work and Pensions (DWP). Given that 92 per cent of sanctions occur in the 'searching for work' group, this is where our analysis focuses, looking at data across Great Britain up to November 2022.

## CASELOADS HAVE FALLEN BUT SANCTIONS FAR EXCEED THE PRE-PANDEMIC NORM

Despite a small reduction in the sanctions rate in the latest data, the proportion of those in the 'full conditionality' group (those who are expected to undertake full-work search) remains significantly higher than before the pandemic. Meanwhile, the UC caseload for this group continues to fall.

**FIGURE 1: AS THE NUMBER OF PEOPLE IN THE 'FULL CONDITIONALITY' GROUP HAS FALLEN, SANCTION RATES HAVE SOARED AND FAR EXCEED PRE-PANDEMIC NORMS**

Universal credit 'full conditionality' caseload and sanction rate



Source: IPPR analysis of sanction rate and people on universal credit datasets (DWP 2022)

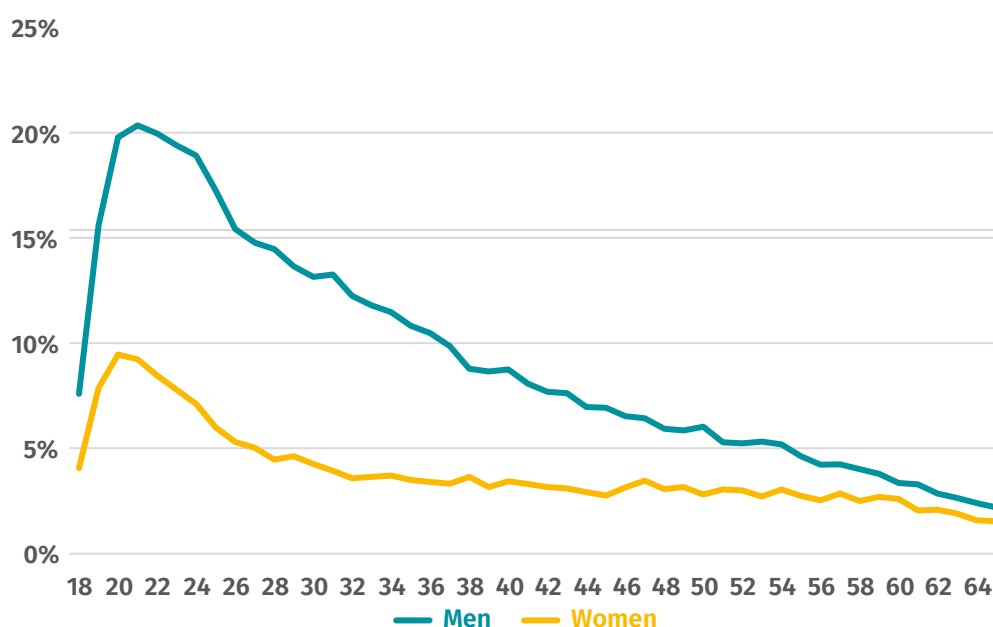
This means that in the latest data over 100,000 people in receipt of UC are having their payment reduced in some way, although this is slightly lower than the peak figure in October 2022 (112,000).

## YOUNG MEN ARE SANCTIONED AT THE HIGHEST RATE

Looking at the data through the lenses of age and gender, we find that among young men the sanction rate is strikingly high, reaching more than one in five claimants. This suggests a significant policy failure in supporting this group, who face the highest levels of unemployment in the UK (ONS 2022b).

**FIGURE 2: YOUNG MEN ARE SANCTIONED AT A STRIKINGLY HIGHER RATE**

Sanction rate for full-time work search group by age and gender



Source: IPPR analysis of sanction rate dataset (DWP 2022)

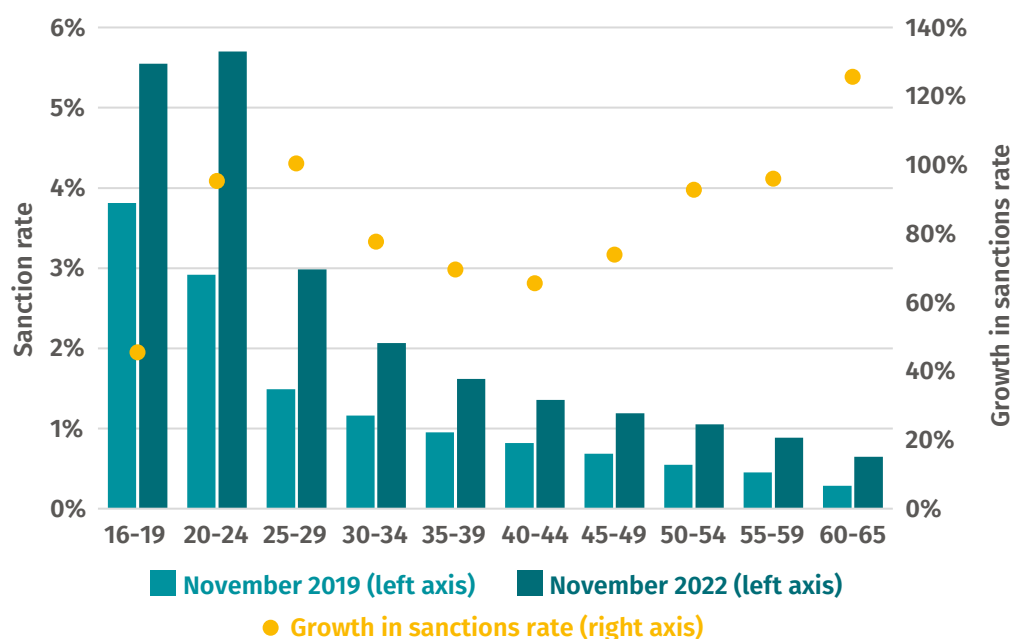
The risk of sanctioning begins to fall from age 21 for men and 20 for women, and the gender difference falls significantly for older claimants. Overall, men are 2.6 times more likely to be sanctioned than women.

## THE LARGEST RISE IN SANCTION RATES HAS BEEN AMONG OVER 60S

Looking at the difference in the sanction rate between the latest data and two years prior, we see a pronounced increase across all age groups. The largest increase in proportionate terms, however, is seen among the over 60s as the sanction rate among this group has increased by over 120 per cent.

**FIGURE 3: THE LARGEST RISE IN SANCTION RATE HAS BEEN AMONG THE OVER 60 AGE GROUP**

Change in sanction rate by age group pre- and post-pandemic



Source: IPPR analysis of sanction rate dataset (DWP 2022)

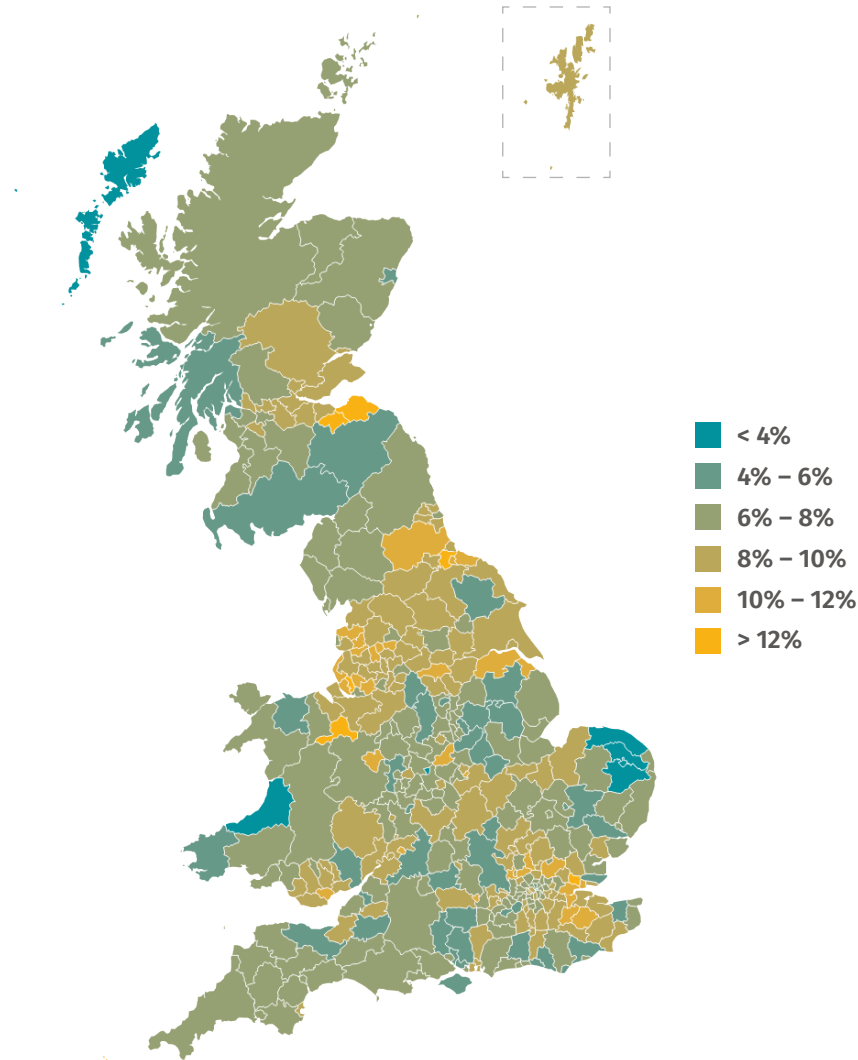
Before the pandemic, two in five (41 per cent) of those sanctioned were under 25. This has now fallen to three in ten (30 per cent). In effect, the age profile of those sanctioned has become more evenly spread across the 'searching for work' caseload.

## GEOGRAPHIC VARIATION IN SANCTION RATES

Looking at sanction rates broken down by local authority, we see large variation across the country, from 3 per cent in Broadland, South Norfolk, to as high as 13 per cent in Knowsley, Merseyside. This means that where you live can make a huge difference to your chances of having your benefit payments reduced.

**FIGURE 4: SANCTION RATES VARY SIGNIFICANTLY DEPENDING WHERE YOU LIVE**

Sanction rate by local authority



Source: IPPR analysis of sanction rate dataset (DWP 2022). Data not collated for Northern Ireland.

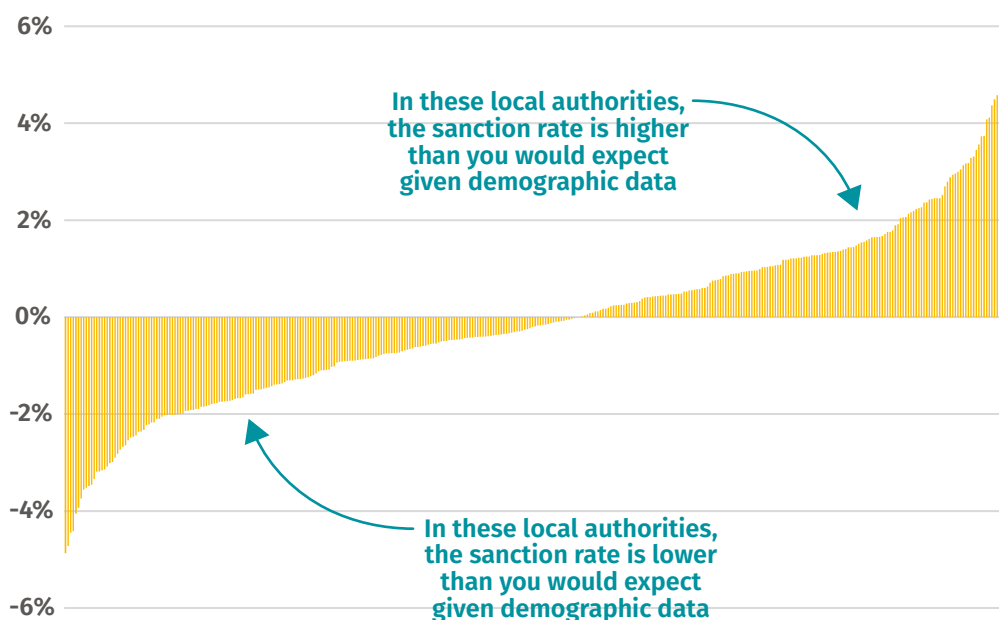
Note: Created with Datawrapper

Some of this variation may be due to demographic differences that exist between different areas. To explore this theory, we consider what the sanction rate in each area would be based on age and gender breakdowns alone, given that our analysis has shown that these factors make a big difference to sanction rates. We find the variation would be significantly smaller if rates mirrored demographic profiles, ranging from 6.5 per cent in the Outer Hebrides to 8.8 per cent in Barrow-in-Furness in Cumbria.

This suggests that other factors, such as local Jobcentre Plus practice, are playing a significant role. In effect we have a postcode lottery that shapes the likelihood of a claimant being sanctioned in different parts of the country. Figure 5 demonstrates this volatility by calculating the difference in the 'predicted' sanction rate based on age and gender and the actual sanction rate.

**FIGURE 5: THERE IS A BIG DIFFERENCE BETWEEN OUR 'PREDICTED' SANCTION RATE BASED ON AGE AND GENDER, AND THE ACTUAL SANCTION RATE SEEN ACROSS LOCAL AUTHORITIES**

Difference in predicted and actual sanction rate by job centre



Source: IPPR analysis DWP 2023a 2023b

We did not find a relationship between LA sanction rates and levels of unemployment in an area, proxied by the proportion of working age people in an area claiming UC in the “searching for work” group. (IPPR analysis of DWP 2023a and ONS 2022a)

## **JOBCENTRES IN NORTHERN ENGLAND HAVE HIGHER SANCTION RATES OVERALL**

Looking at the sanction rate by nation of English region, we find that people living in the North West, North East and Yorkshire and the Humber experience the highest sanction rate overall, with the lowest rates seen in the South West. This is substantial variation, meaning that someone in the North East is over 30 per cent more likely to be sanctioned than someone in the South West.

**TABLE 1: THE NORTH EAST HAS THE HIGHEST OVERALL SANCTION RATE**

Nation or English region	Sanction rate, November 2022 for 'searching for work' group
North East	9.2%
North West	9.0%
Yorkshire and the Humber	8.8%
East of England	8.2%
Wales	8.1%
West Midlands	7.6%
Scotland	7.5%
London	7.4%
South East	7.2%
East Midlands	7.2%
South West	7.0%

Source: IPPR analysis of DWP 2023a

## **BETTER UNDERSTANDING OF HOW SANCTIONS ARE OPERATING**

As more people face acute hardship due to the rising cost of living, sanctions become an increasingly questionable policy - reducing payments which are already inadequate to meet people's essential needs (JRF 2022). Given the potential impact of sanctions, which can increase the risk of a claimant being pulled into destitution, there is a concerning lack of data to understand who is sanctioned, and on what grounds.

Notably there is no data available to understand how sanctions affect different groups beyond age and gender. The DWP should seek to close prominent gaps, prioritising ethnicity, to better understand how different groups fare and to ensure the sanctions system doesn't exacerbate existing inequalities.

We also need greater clarity on understanding the reason why people are sanctioned under UC. The DWP produces 'experimental statistics' which suggest that, in the period from August 2021 to October 2022, 98.4 per cent of all adverse decisions were due to 'failure to attend or participate in a mandatory interview' (DWP 2023d). This appears implausibly high, suggesting that people are only sanctioned for failing to attend the job centre, as opposed to not meeting work search requirements. Although not directly comparable, between April 2010 and April 2019 under jobseeker's allowance, just 32 per cent of 'adverse' sanctions decisions were recorded for failure to attend (DWP 2023c). More and better data is required to understand the dynamics driving sanctions decisions in order for DWP to monitor and improve support offered to claimants via Jobcentre Plus, and improve outcomes for claimants.



## RECOMMENDATIONS

First and foremost, we recommend sanctions are suspended until inflation is brought under control, with a long-term review into their future in light of available evidence in the UK and abroad.

Beyond this, we recommend that the DWP do the following.

- Urgently seek to understand the recent surge in the sanctions rate and provide a public explanation. The department should also explore the reasons for the substantial geographical variation not explained by age and gender, examining the practices of Jobcentres with higher than expected sanction rates.
- Develop their sanctions statistics to allow breakdown of the sanctions rate by ethnicity, and investigate the experimental statistics on sanction reasons.
- Explore a 'yellow-card' system for sanctions, removing a financial penalty for the first sanction and replacing with an intervention meeting to review conditionality and clear up any misunderstandings (Parkes 2022).
- Provide a 'grace period' from sanctions for lead carers for young children who are newly subject to conditionality as measures announced at the spring budget are introduced.

## REFERENCES

- Department for Work and Pensions [DWP] (2023a) 'UC sanction rate', dataset, accessible via DWP Stat-Xplore. <https://stat-xplore.dwp.gov.uk/webapi/jsf/login.xhtml>
- Department for Work and Pensions [DWP] (2023b) 'People on Universal Credit', dataset, accessible via DWP Stat-Xplore. <https://stat-xplore.dwp.gov.uk/webapi/jsf/login.xhtml>
- Department for Work and Pensions [DWP] (2023c) 'JSA Sanctions Decisions: All decisions made', dataset, accessible via DWP Stat-Xplore. <https://stat-xplore.dwp.gov.uk/webapi/jsf/login.xhtml>
- Department for Work and Pensions [DWP] (2023d) 'Benefit sanctions statistics to October 2022 (experimental)'. <https://www.gov.uk/government/statistics/benefit-sanctions-statistics-to-october-2022-experimental/benefit-sanctions-statistics-to-october-2022-experimental#universal-credit-full-service-ucfs>
- His Majesty's Treasury (HMT) (2023) 'Spring Budget 2023'. <https://www.gov.uk/government/publications/spring-budget-2023>
- Joseph Rowntree Foundation and Trussell Trust [JRF] (2022) *An essentials guarantee: Reforming universal credit to ensure we can all afford the essentials in hard times*. [https://www.jrf.org.uk/system/files/an\\_essentials\\_guarantee\\_report.pdf](https://www.jrf.org.uk/system/files/an_essentials_guarantee_report.pdf)
- Office for National Statistics [ONS] (2022a) 'Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland', dataset. <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland>
- Office for National Statistics [ONS] (2022b) 'UEM01: Unemployment by age and duration (seasonally adjusted)', dataset. <https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment/datasets/unemploymentbyageanddurationseasonallyadjustedunem01sa>
- Parkes H (2022) *No one left behind: Supporting people with complex needs on universal credit*, IPPR. <https://www.ippr.org/research/publications/no-one-left-behind>

## ABOUT IPPR

IPPR, the Institute for Public Policy Research, is the UK's leading progressive think tank. We are an independent charitable organisation with our main office in London. IPPR North, IPPR's dedicated think tank for the north of England, operates out of offices in Manchester and Newcastle, and IPPR Scotland, our dedicated think tank for Scotland, is based in Edinburgh.

Our primary purpose is to conduct and promote research into, and the education of the public in, the economic, social and political sciences, science and technology, the voluntary sector and social enterprise, public services, and industry and commerce. Other purposes include to advance physical and mental health, the efficiency of public services and environmental protection or improvement; and to relieve poverty, unemployment, or those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage.

IPPR  
14 Buckingham Street  
London  
WC2N 6DF  
T: +44 (0)20 7470 6100  
E: [info@ippr.org](mailto:info@ippr.org)  
[www.ippr.org](http://www.ippr.org)  
Registered charity no: 800065 (England and Wales),  
SC046557 (Scotland)

This paper was first published in March 2023. © IPPR 2023

The contents and opinions expressed in this paper are those of the authors only.

## GET IN TOUCH

For more information about the Institute for Public Policy Research, please go to [www.ippr.org](http://www.ippr.org)

You can also call us on +44 (0)20 7470 6100, e-mail [info@ippr.org](mailto:info@ippr.org) or tweet us [@ippr](https://twitter.com/ippr)

### Institute for Public Policy Research

Registered Charity no. 800065 (England & Wales),  
SC046557 (Scotland), Company no, 2292601 (England & Wales)

The progressive policy think tank