

Work and Pensions Committee

Benefit sanctions inquiry

Written evidence submitted by The Children's Society

Executive Summary

1. The Children's Society supports thousands of vulnerable children and young people through our services across England. This includes children in the care system, during their time in care and after they leave care from the age of 16.
2. Care leavers are a particularly vulnerable group of young people that the state has special responsibilities for. They are also more likely to be in a financially precarious situation than other young people. Without the support of their family, care leavers face particular challenges as they transition into independent living. The safety net of the social security system is therefore crucial for them.
3. However, our research finds that care leavers are far more likely to have their benefits sanctioned than other claimants, less likely to challenge those sanctions, but more likely to win when they do. The removal of financial support can have devastating consequences for care leavers.
4. Many care leavers are unaware of the procedures and rules to claim benefits, which can leave them susceptible to sanctions. Better support from professionals, including local authority and Jobcentre Plus ('JCP') staff working more closely with each other, could help care leavers avoid being sanctioned.
5. Better identification and monitoring of care leavers in the benefit system could also help tailor support and reduce sanctions.
6. Finally, there are concerns that care leavers could experience more sanctions under the Youth Obligation. Information is also currently lacking around the effectiveness of the Youth Obligation and sanction rates associated with it.
7. This submission draws on evidence from Freedom of Information requests to the Department for Work and Pensions ('DWP'), analysis of benefit sanctions data, and recent consultations with care leavers, our support workers and other professionals.
8. The Children's Society has continued to engage with the Government on reducing the impact of sanctions on care leavers, but as yet there has been no policy change.

Summary of recommendations

9. Sanctions for care leavers should be limited to the lower levels used for 16 and 17 year olds.
10. The 'early warning system' should always be used when a care leaver is at risk of being sanctioned and work coaches should be required to make contact with the care leaver's personal adviser before applying a sanction.
11. Personal advisers should receive training on how to support care leavers to appeal benefit sanctions.
12. Personal advisers should be able to be noted as a designated person to assist in a care leaver's claim where care leavers give consent. Consent should be able to be provided to deal with all matters relating to an issue for a specified time period.

13. Joint protocols between the local JCP and the local authority should be put in place so that professionals working with a young person can contact and work with each other to avoid sanctions.
14. The number of self-identified care leavers receiving sanctions should be regularly reported by DWP.
15. DWP should introduce the marker for care leavers under Universal Credit ('UC') and awareness of its existence and benefits should be improved.
16. Youth Obligation effectiveness and sanction rates should be monitored, particularly for vulnerable groups such as care leavers, and performance data published.
17. The ability to 'pause' the intensive activity period in the Youth Obligation should be made available to vulnerable young people so they know that, if necessary, they can take a break without being sanctioned whilst they attend to other issues going on in their lives.

Introduction

18. The Children's Society is a national charity that runs local services, helping children and young people when they are at their most vulnerable, and have nowhere left to turn. We also campaign for changes to laws affecting children and young people, to stop the mistakes of the past being repeated in the future. In 2016/17 we worked with over 13,000 vulnerable children and young people in our services.
19. One group we support is children in the care system, both while in care and after they leave care, at which point many first encounter the benefits system. This submission highlights issues relating to benefit sanctions and care leavers. It draws on evidence from Freedom of Information requests to DWP, analysis of benefits and sanctions data, recent consultations with care leavers, their personal advisers, practitioners working in our services, and JCP staff.
20. It responds to the following points in the Committee's scope of inquiry:
 - a) Is the current evidence base adequate and if not, what further information, data and research are required?
 - b) What improvements to sanctions policy could be made to achieve its objectives better?
 - c) Could a challenge period and/or a system of warnings for a first sanctionable offence be beneficial? If so, how should they be implemented?
 - d) Are adequate protections in place for vulnerable claimants?

Care leaver outcomes and the responsibility of the state

21. There are currently around 54,000 young people between the ages of 18 and 25 who are care leavers in England.¹ The Government's 2016 care leavers strategy 'Keep on Caring'² noted that outcomes for care leavers remain much worse than their counterparts and identified that achieving financial stability for care leavers is vital:
 - a) 25% of those who were homeless in 2010 had been in care at some point in their lives.³
 - b) Around 56% of children who had been in care for at least 12 months in 2017 had a special educational need, compared to around 14% of all children.⁴

- c) 6% of care leavers enter higher education, compared with 47% of the general population.⁵
22. Children in care are some of the most vulnerable in our society, with many having experienced abuse or neglect. The state has a unique relationship with these children through policies and legislation that provide the context in which children in care are raised and how they transition to adulthood as care leavers. The role of central and local government, including departments like DWP, is even more important in these young people's lives as they are their corporate parents and should be working to make sure they not only survive but thrive.

Importance of the social security safety net for care leavers

23. Without the financial stability provided to the majority of young people by their parents, care leavers are much more likely to rely on support from the social security system. It's also very unlikely that care leavers will have had the opportunity to build up savings that could provide a financial cushion at this time. With the help of their personal advisers, this means that most submit a claim around their 18th birthday.
24. Care leavers also tend to be entering adulthood in more difficult circumstances than their peers. They often face a number of significant life events simultaneously. Many have to move abruptly into independent living, pay all the bills, find a job, apply for further study, and apply for benefits for the first time. At the same time, care leavers with additional needs will be transitioning from children's to adult services.
25. Benefits are therefore a lifeline for many care leavers, including those who are working or studying, providing a safety net where they do not have parental support.

Higher sanction rates for care leavers and their impact

26. Despite all of the above, our research shows that care leavers in the benefits system are far more likely to be sanctioned than other young people aged 18 to 24, who in turn are already more likely to be sanctioned than older claimants. We also found that care leavers are less likely to challenge sanctions but more likely to win when they do. Based on a Freedom of Information request to DWP, our analysis of Jobseeker's Allowance ('JSA') data for the six months ending September 2016 found that:⁶
- a) Care leavers were over five times more likely to be sanctioned than other claimants. Other 18 to 24 year olds were almost twice as likely to be sanctioned than the general adult claimant population.
 - b) 15% of care leaver sanctions were challenged, compared to 19% of 18 to 24 year olds and 24% for the general JSA claimant population.
 - c) 86% of sanctions that were challenged by care leavers were overturned, compared with 79% for 18 to 24 year olds and 78% for other JSA claimants.
27. Under both UC and the legacy benefit system, sanctions can last anywhere from a week up to three years depending on the circumstances. In both systems there are special rules that soften the sanctions regime for 16 and 17 year olds. This includes benefits being reduced by a smaller amount than older claimants, shorter sanction periods, and more factors that a work coach can rely upon to avoid having to apply a full sanction (if at all). But there are no similar rules recognising the particular vulnerability and circumstances of care leavers.

28. Periods without financial support can create problems for any claimant, but for care leavers they can be particularly tough. Sanctions can leave young people without money for weeks, making it impossible for them to pay their bills and make ends meet. Care leavers cannot usually rely on family members to support them during a sanction and, given their difficult circumstances, they risk being pushed further away from work or study and closer to extreme financial hardship.
29. The following case study of a young person supported by The Children's Society illustrates some of the confusion for these young people and the counterproductive effect that sanctions can have: *Sophie is 20 years old and is in part-time education. She wanted to go back into full-time education but was advised to remain in part-time education by her work coach so she could keep her access to JSA and housing benefit. Sophie is required to seek work for 20 hours per week. She kept missing her appointments at JCP because they were arranged for times when Sophie was at college. She suffers from Asperger syndrome and often became anxious when she was approached by her work coach about missed appointments and would cope by ignoring the notifications she received. As a result, Sophie was sanctioned for missing appointments, the longest being for two months. These sanctions were appealed and eventually the appeal was successful. However, during the sanction period Sophie struggled at college and did not complete her course.*⁷
30. **Recommendation: Sanctions for care leavers should be limited to the lower levels used for 16 and 17 year olds.**
31. **Recommendation: The 'early warning system' should always be used when a care leaver is at risk of being sanctioned and work coaches should be required to make contact with the care leaver's personal adviser before applying a sanction.**
32. **Recommendation: Personal advisers should receive training on how to support care leavers to appeal benefit sanctions.**

Helping care leavers avoid sanctions

33. Many care leavers are unaware of the procedures and rules to claim benefits, which can leave them susceptible to sanctions. They often felt confused over why they had been sanctioned. One care leaver told us, 'I was sanctioned two to three weeks before Christmas...Don't know why...it caused a lot of issues...I wasn't able to sustain myself.'⁸ Another said they were threatened with a sanction after missing an appointment in order to attend a job interview: 'I had a job interview, and they threatened to sanction me. How are you going to do that when I've done the right thing?'⁹
34. We have found that many of these frustrations could be eased by better joint working between JCP and local authorities to make the process of claiming benefits and complying with obligations smoother. For a care leaver, having to juggle two vital relationships with professionals is not simple. Often the local authority personal adviser holds crucial information but the person a care leaver sees more regularly is their work coach.¹⁰ Where a care leaver's claim has administrative or technical problems, care leavers can be passed back and forth between these two professionals.
35. The work coaches we spoke to were enthusiastic to support care leavers but recognised that when a young person fails to attend an appointment or is clearly struggling there is little they can do to help them: Even contacting their personal

adviser to flag up a problem could fall foul of consent procedures unless explicit consent was sought on every occasion from the care leaver.¹¹

36. We have come across examples of good practice that have helped with these issues, reducing the likelihood of sanctions:
- a) In Lancashire, personal advisers logged as a designated person on a care leaver's claim can proactively solve administrative issues.¹²
 - b) In Trafford, a joint protocol between the local authority and JCP allows for two-way communication between the named DWP staff member and the personal adviser on any issues a care leaver is facing with their claim.¹³
 - c) Similarly, a joint protocol between JCP and the leaving care team at Doncaster Children's Services Trust has resulted in no care leaver being sanctioned since the protocol was signed.¹⁴
- 37. Recommendation: Personal advisers should be able to be noted as a designated person to assist in a care leaver's claim where care leavers give consent. Consent should be able to be provided to deal with all matters relating to an issue for a specified time period.**
- 38. Recommendation: Joint protocols between the local JCP and the local authority should be put in place so that professionals working with a young person can contact and work with each other to avoid sanctions.**

Identifying care leavers and monitoring sanctions

39. The true number of care leavers facing a sanction is likely to be higher than the figures presented above, which are based on a self-reported marker for care leavers on DWP's system. This means that if a care leaver does not identify their status they are not included in the figures, so DWP is currently unaware of the full scale of sanctions applied to care leavers.
40. Furthermore, although care leavers can currently be flagged on the legacy benefits system, this is not yet available in UC.
41. According to the latest information we have, 4,830 self-identified care leavers claimed JSA or Employment and Support Allowance between 1st April 2016 and 30th September 2016.¹⁵
42. Care leavers we have worked with felt that the option to have their status as a care leaver recorded on their claim was a good thing, although not all of them knew about being able to self-identify.¹⁶ The support that care leavers receive when trying to navigate the UC system could be improved, and sanction rates reduced, if all JCP and UC staff who come into contact with them are aware that they are a care leaver.
- 43. Recommendation: The number of self-identified care leavers receiving sanctions should be regularly reported by DWP.**
- 44. Recommendation: DWP should introduce the marker for care leavers under UC and awareness of its existence and benefits should be improved.**

Youth obligation

45. From April 2017, the Youth Obligation replaced the Work Programme to help young people up to age 21 get a job or apprenticeship. It requires them to undertake an 'intensive activity period' and obtain certain skills, an apprenticeship or a job after six months, or risk being sanctioned.
46. There is limited information currently available on Youth Obligation outcomes, particularly for vulnerable groups.
47. Data from the Work Programme showed that employment support within the benefit system was previously falling short for care leavers. 13.5% of care leavers referred to it in 2015 achieved a positive job outcome, compared to 26.6% for other 18-24 year olds. Outcomes for care leavers were almost as poor as for prison leavers (12.6%).¹⁷
48. The Youth Obligation combines aspects of the current sanctions regime and the old Work Programme. Its increased conditionality and accelerated move of claimants into some form of work runs the risk of replicating the worst parts of both. This could cause particular difficulties and more sanctions for care leavers, who may have complicated issues going on in their lives and may need more time.
49. **Recommendation: Youth Obligation effectiveness and sanction rates should be monitored, particularly for vulnerable groups such as care leavers, and performance data published.**
50. **Recommendation: The ability to 'pause' the intensive activity period in the Youth Obligation should be made available to vulnerable young people so they know that, if necessary, they can take a break without being sanctioned whilst they attend to other issues going on in their lives.**

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¹ Department for Education. *Children looked after in England including adoption: 2016 to 2017 (National tables: SFR50/2017)*. December 2017. <https://www.gov.uk/government/statistics/children-looked-after-in-england-including-adoption-2016-to-2017>

² Department for Education, et al. *Keep on caring: supporting young people from care to independence*. July 2016. <https://www.gov.uk/government/publications/keep-on-caring-supporting-young-people-from-care-to-independence>

³ National Audit Office. *Care leavers' transition to adulthood*. July 2015. <https://www.nao.org.uk/report/care-leavers-transitions-to-adulthood/>

⁴ Department for Education. *Outcomes for children looked after by LAs: 31 March 2017 (National tables: SFR20/2018)*. March 2018. <https://www.gov.uk/government/statistics/outcomes-for-children-looked-after-by-las-31-march-2017>

⁵ Centre for Social Justice. *Delivering a care leavers' strategy for traineeships and apprenticeships*. August 2016. <https://www.centreforsocialjustice.org.uk/library/delivering-care-leavers-strategy-traineeships-apprenticeships>

⁶ The Children's Society. *Claiming after care: Care leavers and the benefits system (see Appendix for full detail of sanctions figures)*. August 2017. <https://www.childrenssociety.org.uk/what-we-do/resources-and-publications/claiming-after-care-care-leavers-and-the-benefits-system>

⁷ Ibid.

⁸ The Children's Society. *The cost of being care free: The impact of poor financial education and removal of support on care leavers*. June 2016. <https://www.childrenssociety.org.uk/what-we-do/resources-and-publications/the-cost-of-being-care-free>

⁹ Ibid.

¹⁰ The Children's Society. *Claiming after care: Care leavers and the benefits system*. August 2017. <https://www.childrenssociety.org.uk/what-we-do/resources-and-publications/claiming-after-care-care-leavers-and-the-benefits-system>

¹¹ Ibid.

¹² Ibid.

¹³ Ibid.

¹⁴ The Children's Society. *Report of Doncaster's youth-led child poverty commission (not yet published)*. Publication due mid-June 2018.

¹⁵ Department for Work and Pensions. *Response to Freedom of Information request from The Children's Society*. April 2017.

¹⁶ The Children's Society. *Confidential discussion with care leavers*. April 2017.

¹⁷ The Children's Society. *Claiming after care: Care leavers and the benefits system*. August 2017. <https://www.childrenssociety.org.uk/what-we-do/resources-and-publications/claiming-after-care-care-leavers-and-the-benefits-system>