

All-Party Parliamentary Inquiry into Hunger and Food Banks in Britain

THE ROLE OF BENEFIT SANCTIONS AND DISALLOWANCES IN CREATING THE NEED FOR VOLUNTARY FOOD AID

Evidence submitted by

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SUMMARY

This submission shows that despite denials by the Coalition government and some other commentators, increases in benefit sanctions, especially under Jobseeker's Allowance, are one of the major causes of the reported rise in need for emergency food aid. There are six mutually supporting sets of evidence that sanctions are a major cause of increased need for emergency food aid:

- The number, severity and length of sanctions have escalated hugely, especially since 2009
- Sanctions and their associated 'hardship payment' regime make poor claimants destitute, with the result that they are *inevitably* dependent on food banks and the like
- The time pattern of the growth of food bank usage and reported need for food aid fits with the time pattern of the increase in sanctions
- Survey data show that people serving benefit sanctions form a substantial proportion of food bank users
- Survey data show that a substantial proportion of people who are sanctioned use food banks
- The reported scale of food bank use by sanctioned claimants is compatible with the scale of sanctions.

The submission recommends that behavioural sanctions, i.e. the use of financial penalties to make unemployed people do particular things, should be abolished. Conditions are unavoidable in any insurance scheme, but an adequate safety net should be restored for those who do not meet them. Food bank providers should also collect better information on sanctions experienced by their users.

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1. This submission relates to two of the tasks identified by the Inquiry:

3. To identify the circumstances behind the rising number of people requiring emergency food assistance in this country; and

9. To consider approaches to improving household food security in this country

It focuses purely on the role of benefit sanctions and disallowances.

2. It shows that despite denials by the Coalition government and some other commentators, increases in benefit sanctions and disallowances since 2006 certainly are one of the major causes of the reported rise in need for emergency food aid. It also shows that reforming the sanctions system is essential if food poverty is to be abolished or reduced back to its previous level.

3. This submission has arisen out of a study of unemployment benefit sanctions and disallowances in Great Britain, based primarily on a statistical analysis going back as far as records will allow. Further details are available at <http://www.gla.ac.uk/schools/socialpolitical/research/urbanstudies/projects/ukbenefitdisallowances/>

BENEFIT SANCTIONS AND THE RISE IN NEED FOR EMERGENCY FOOD AID

4. There are six mutually supporting sets of evidence that sanctions are a major cause of increased need for emergency food aid:

- (i) The number, severity and length of sanctions have escalated hugely, especially since 2009
- (ii) Sanctions and their associated ‘hardship payment’ regime make poor claimants destitute, with the result that they are *inevitably* dependent on food banks and the like
- (iii) The time pattern of the growth of food bank usage and reported need for food aid fits with the time pattern of the increase in sanctions

- (iv) Survey data show that people serving benefit sanctions form a substantial proportion of food bank users
- (v) Survey data show that a substantial proportion of people who are sanctioned use food banks
- (vi) The reported scale of food bank use by sanctioned claimants is compatible with the scale of sanctions.

5. The evidence on these points is now considered.

(i) The number, severity and length of sanctions have escalated, especially since 2009

6. Sanctions are applied to claimants of Jobseeker's Allowance (JSA), to claimants of Employment and Support Allowance (ESA) who are in the 'Work Related Activity Group', and to lone parent claimants of Income Support (IS). Of these, JSA sanctions are by far the most important.

Numbers of sanctions

7. **Figure 1** shows the numbers of JSA and ESA sanctions since 1997, on the basis of rolling 12-month periods.¹ There has clearly been an enormous escalation since 2006, and especially since 2009, from around 300,000 per year to 900,000 per year. ESA sanctions date from October 2008, and apply only to those in the 'Work Related Activity Group', which had grown to 559,000 by November 2013. It will be seen that ESA sanctions are relatively few in number compared to JSA sanctions.

8. The previous Labour government introduced sanctions for lone parents claiming IS. A requirement for 'work-focused interviews' was rolled out to all lone parents on IS between April 2001 and April 2004 (although since 31 October 2011 this has not applied to those with a youngest child under 1). This requirement is supported by a sanction for non-attendance, taking the form of a 20% reduction in the amount of the Income Support personal allowance, which applies indefinitely until compliance. Between 2008 and 2012, lone parents on IS with a youngest child under 16 were progressively removed from IS and, if they continued to claim benefits, transferred to JSA and made subject to the much harsher JSA sanctions regime (the 'Lone Parent Obligation'). The stages were: November 2008, youngest child over 12; 26th October 2009, youngest child over 10; 25th October 2010, youngest child over 7; and 21st May 2012, youngest child over 5. By February 2013 there were 504,890 lone parent claimants on IS and 158,575 on JSA; in practice, many lone parents have simply stopped claiming, without getting into work, thus reducing their incomes.²

9. Sanctions on lone parents who have moved to JSA (which are already included in Figure 1) have increased rapidly from 150 per month in 2008 to 5,000 per month by December 2012. The number of lone parent IS sanctions (not included in Figure 1) started at about 2,500 per month in 2004/05 and rose to a peak of 7,800 per month in 2008/09 before declining to 5,100 per month in 2012, largely because of the transfers to JSA. Lone parent IS sanctions are therefore, like ESA sanctions, a relatively small factor compared to JSA sanctions.

Severity and length

10. The severity and/or length of JSA and ESA sanctions have increased, as follows:

Jobseekers Allowance From 1911 until 1986 the maximum length of a benefit disallowance or (in later years) sanction was 6 weeks. This was increased by the Thatcher government to 13 weeks in 1986 and 26 weeks in 1988. In April 2010 the previous Labour government increased the length of one of the commonest types of JSA sanction, for missing or being late for an interview, from a few days ('disentitlement') to one or two weeks. In October 2012 the Coalition greatly increased the length of all the most frequently occurring sanctions (while reducing the length of a few others), introducing a new maximum length of 3 years for repeat 'high level failures'. By December 2013, three-year sanctions had been applied to 1,229 claimants.

Employment and Support Allowance At the start in 2008, the sanction was withdrawal of 50% of the WRAG component (£28.75 per week), and 100% after 4 weeks, until compliance. In December 2012 the Coalition changed this to withdrawal of the whole personal allowance (£72.40 per week or £57.35 for under-25s) until compliance, followed by a further two week sanction of the same amount.

11. Coalition Ministers and DWP officials have not been able to deny that sanctions have been made lengthier and more severe, but they are still denying that their numbers are on a rising trend. Lord Freud, Parliamentary Under-Secretary of State, Department for Work and Pensions, told the House of Lords on 25 March 2013 (col.941) 'There is not the clear trend in the growth of sanctions which some people have been claiming'. In the Scottish Parliament Welfare Reform Committee on 29 April 2014 (col.1454), the DWP's Work Services Director, Neil Couling, was asked by the Deputy Convener: 'You say that you do not want more people being sanctioned as an outcome, but the number of people who are being sanctioned now is higher than it was previously, is it not?' He replied: 'The number is higher. As to whether that is a trend, we must wait for the next set of data so that we can understand that'. A more convoluted denial was contained in the DWP's written submission to the Scottish Parliament Welfare Reform Committee, 23 April 2014: 'Since the new regime was introduced in October 2012 there has been little change in monthly sanction volumes - fluctuating between 3 and 5.5% of the caseload as they have done since early 2010. Between 2005 - 2010 it fluctuated between 2 and 4%. Latest figures for the three months to September 2013 show that the monthly rate increased to 6% as sanction volumes held constant while the claimant count fell. Month-to-month variability makes it hard to say if this is an increase that will be maintained' (DWP 2014, para.23).

(ii) JSA sanctions make poor people destitute

12. The Jobseekers Act 1995, designed by Peter Lilley and Michael Portillo³, removed from disallowed or sanctioned claimants what had been a statutory entitlement to a reduced rate of Income Support assessed on normal rules. It substituted a system of discretionary 'hardship payments' with particularly harsh conditions, for instance counting a payday loan as a claimant's resources. It also provided that, with a few exceptions for those in a 'vulnerable group', claimants cannot even apply for a hardship payment for the first two weeks, thus ensuring that already poor people are made entirely destitute. If granted, hardship payments are 60% of normal JSA, or 80% for the 'vulnerable'. There is no assessment of 'vulnerability', which is attributed to a set of predetermined categories of applicant. Lone parents are considered 'vulnerable', and since December 2012, ESA WRAG claimants have also been eligible for hardship payments as 'vulnerable'.

13. The DWP does not publish, and apparently does not collate, any data on the proportion of sanctions which lead to a hardship payment being made. However, **Figure 2** presents a long quarterly series, going back to 1985, showing the number of people under an unemployment benefit sanction at any one time, together with the number of those who were receiving a hardship payment.⁴ The figures are striking in showing that by August 2013 the number of people under sanction had reached the wholly unprecedented level of 65,000. But it should be borne in mind that these measures are not appropriate for showing the impact of sanctions on the need for food aid. This is because they include disproportionate numbers of people serving longer sanctions, who are more likely to be included in the ‘snapshot’ Quarterly Statistical Enquiry, taken at a single point in time, from which the estimates are derived. They greatly underestimate the number of people who receive a sanction during the quarter, and since people are more likely to receive a hardship payment the longer their sanction, they will also *overestimate* the proportion of sanctioned claimants receiving a hardship payment. This said, the figures show that at most some 25% of sanctioned claimants get a hardship payment. **Figure 3** suggests that very few indeed of those receive the 80% ‘vulnerable’ rate, although the number of cases for which the percentage is stated to be ‘unknown’ is so great that accurate estimates are not possible.⁵ Another problem with hardship payments is that sanctioned claimants are frequently not told about them by the Jobcentre, and even when an application is made, there are often delays in payment, which are inevitably increased by their discretionary nature.⁶

14. To prevent any mitigation of the impact of sanctions, the 1995 Act disqualified sanctioned claimants from access to the Social Fund, which provided grants or loans to meet emergency needs. The Social Fund was abolished in April 2013. In Scotland, its successor Scottish Welfare Fund maintained the ban on sanctioned claimants in its first year, but removed it in April 2014. In England, responsibility for administering what has become the Local Welfare Assistance Fund was taken over by local authorities in April 2013. There does not appear to be any comprehensive study of local authority policies on this matter, but it appears that most if not all have maintained the ban on access for sanctioned claimants.⁷ The Welsh Discretionary Assistance Fund also appears to have maintained the ban.

15. Of course, not all sanctioned claimants become destitute. This happens to those who are already poor, including those whose position has been weakened by previous sanctions or by other benefit problems such as the frequently occurring wrongful cut-off of Housing Benefit following sanction – a problem which the Coalition has at last acknowledged but has yet to address.⁸ **But a system which deprives some people of all resources is bound to create a need for emergency food aid. Given the huge increase in sanctions, the question is not how to explain increased need for food aid, but how it could have been possible for increased sanctions *not* to lead to it.** It must be realised that it is not only the two-week ban which causes destitution. Social security benefit rates are set at the lowest level compatible with reasonable survival. Trying to live for months on end on 40%, or even 20% less than this, especially when the problems are compounded by issues such as lost Housing Benefit, the ‘bedroom tax’, the new liability (in England) for partial Council Tax, extortionate interest payments on unmanageable debts, or the extra travel costs through the daily signing on required by so-called ‘Help to Work’ or other mandated work search activities, is bound to lead sooner or later to exhaustion of all resources, including the ability of friends or family to help. The lengthening of sanctions since 2012 has therefore hugely increased their impoverishing effect.

16. There is an extraordinary degree of ignorance among Coalition politicians of the destitution-creating nature of the sanctions regime. For instance, the Prime Minister David Cameron wrote in the *Daily Telegraph* (18/2/2014) ‘Archbishop Nichols’s claims that the basic safety net no longer exists are simply not true. Let’s get the facts straight..... the safety net remains in place. If you’re over 25 and looking for work you receive £71.70 a week in Jobseekers’ Allowance – £6.25 a week more than at the last election. If you’re under 25 the figure is £56.80 a week – £4.90 more per week than at the last election.’ Mr Cameron is apparently unaware that these are the amounts of money that people *lose* through sanctions.

17. On 8 May 2014, the UK Minister for Employment, Esther McVey, wrote to the Scottish Minister for Housing and Welfare, Margaret Burgess, stating ‘We.....have a well-established system of hardship provision for sanctioned claimants who have little or no other resources available to them, to ensure they are supported *throughout the duration of a sanction*’ (italics added) (McVey 2014). This statement is simply incorrect. As noted above, sanctioned claimants are not supported throughout the duration of a sanction, nor have they been for the last 18 years.

18. The *Financial Times* (21/2/2014) reported that the former Conservative MP and shadow home secretary Anne Widdicombe ‘said it was not clear why anyone needed to use food banks, given that Britain had a social security system. “You have to ask what they are spending their benefits money on instead?”’. A similar perception was expressed by the former Conservative minister Edwina Currie on the BBC1 Panorama TV programme *Hungry Britain?* (3/3/2014): ‘What used to happen is putting food on the table was the first choice. And now for many people, it’s *not* the first choice’.

(iii) The time pattern of the growth of food bank usage and reported need for food aid fits the time pattern of the increase in sanctions

19. In order for the increase in sanctions to contribute to explaining the rise in need for food aid and related increase in food bank usage, it is necessary that the former should have preceded the latter. This is indeed the case.

Need for food aid and food bank usage

20. It is essential to distinguish between the need (or demand) for food aid on the one hand, and actual food bank usage on the other. People cannot use a food bank that is not there. So additional food bank openings will lead to additional use. For instance, if towns A and B have the same level of food poverty in year 1, but only A has a food bank, and then in year 2 a food bank is opened in town B, then, other things being equal, total usage will double. But demand has not doubled. What has happened is that latent demand has become manifest.

21. Quite rightly, the focus of the present inquiry is on ‘the rising number of people requiring emergency food assistance in this country’. This cannot be estimated only through figures on food bank usage, but they are a useful start.

22. There are no comprehensive statistics on food bank usage. However, there are good figures from the largest organization involved in food bank provision, the Trussell Trust. A Scottish Government study reported ‘The findings suggest that Trussell Trust data is a good indicator of general provision and demand trends and reasons for demand experienced by other providers of food parcels’ (Sosenko et al. 2013). At July 2012 the Trussell Trust seems

to have accounted for something like three-quarters of food banks in operation (*Guardian*, 12 July 2012).⁹ Therefore the growth of usage of Trussell Trust food banks is a reasonable proxy for the growth of usage of all food banks.

23. The first Trussell Trust foodbank was established in Salisbury in 2000 and a social franchise model was developed in 2004. The number of Trussell Trust foodbanks then grew to 50 by 2009 and 148 by 2011, and the first half of 2011 saw the launch of one new Trust food bank every week (Lambie 2011, iv). In partnership with churches, the Trussell Trust operated over 345 food banks in the UK as of April 2013 (Trussell Trust 2013a). By October 2013, the number of food banks in the Trust's network had increased to 400 (Trussell Trust 2013b).

24. **Table 1** gives the Trussell Trust's own figures for their food bank usage, and **Figure 4** shows the numbers of Trussell Trust food bank users and the number of JSA plus ESA sanctions, for financial years since 2003/04. The comparison shows that food bank usage has followed sanctions upwards, after a time lag. This is what would be expected if increased food bank provision was responding to increased need.

Table 1: No. of people using Trussell Trust Food Banks, 2005-06 to 2013-14

Year	No. of users
2005-06	2,814
2006-07	9,174
2007-08	13,849
2008-09	25,899
2009-10	40,898
2010-11	61,468
2011-12	128,697
2012-13	346,992
2013-14	913,138

Sources: 2005-06 to 2012-13: The Trussell Trust: Biggest Ever Increase in UK Foodbank Use, 24 April 2013, at <http://www.trusselltrust.org/resources/documents/Press/BIGGEST-EVER-INCREASE-IN-UK-FOODBANK-USE.pdf>; 2010-11 to 2013-14: The Trussell Trust: What we do: Foodbank stats, at <http://www.trusselltrust.org/stats>; both accessed 24/6/2014

25. Referring to the increase in Trussell Trust food bank users, Lord Freud argued in the House of Lords (2 July 2013, col.1072) that 'The provision of food-bank support has grown from provision to 70,000 individuals two years ago to 347,000. All that predates the reforms. As I say, there is no evidence of a causal link.' This observation is clearly incorrect in relation to sanctions. The rise in sanctions predated the rise in food bank use.

26. Critically, the Trussell Trust points out that, at least in the most recent reporting period, increased use of its food banks is not simply due to new openings. It reported in April 2014: 'Whilst there has been a 163 percent increase in foodbank use, there has only been a 45 percent increase in the number of new Trussell Trust foodbanks opening in the last year.....Foodbanks that have been open for three years or more have seen an average increase of 51% in numbers helped in 2013-14 compared to 2012-13, showing that well established foodbanks are experiencing significant uplift in demand' (Trussell Trust 2014). Moreover,

the Trussell Trust cannot simply ordain the appearance of a food bank in a given place. It operates a franchise model, and no food bank can open unless there are sufficient local volunteers aware of a need for it and willing to put the time into running it.

27. There is a lot of less systematic evidence that numbers and usage of food banks run by other providers have also been increasing. For instance, in Glasgow there were 40 food banks in March 2014, compared to only 13 a year previously.¹⁰ In February 2014 the food bank run by Glasgow City Mission, a very longstanding and well-funded charity, ran out of food following an increase in demand (*Glasgow Herald*, 16/4/2014). Lambie-Mumford et al. (2014, xii) found that ‘Those providing food aid, formally and informally, are consistently reporting an increase in demand’.

28. It would be desirable to have more systematic information on the growth in numbers of food banks, and more direct evidence on the extent of need for emergency food aid. But there is no doubt that there has been a huge growth in food banks, or that providers have been responding to perceived need, which has proved to be there when food banks have opened. There can therefore be little doubt that need has increased greatly over the past decade.

(iv) People serving benefit sanctions form a substantial proportion of food bank users

29. Unfortunately, while the Trussell Trust regularly publishes data on the reasons why people use its food banks, it does not separately distinguish sanctioned benefit claimants. They could appear anywhere within some half dozen other categories. However, the Trust reported in April 2014 that ‘problems with welfare, especially sanctioning, are significant drivers of the increased demand. 83 percent of Trussell Trust foodbanks surveyed recently..... reported that benefits sanctions, which have become increasingly harsh, have caused more people to be referred to them for emergency food’. The survey was carried out in March 2014, and 130 Trussell Trust foodbanks responded, providing a representative sample of foodbanks across the UK, including both rural and urban foodbanks (Trussell Trust 2014). Separately, the *Financial Times* (21/2/2014) reported the Trust’s chairman, Chris Mould, as saying that ‘about 50 per cent of those referred to its foodbanks are there as a result of benefits *withdrawal* or *delay*’ (italics added).

Table 2: Estimates of the proportion of food bank users who are sanctioned claimants

Provider of estimate	Type of estimate	Sanctioned claimant proportion	Source
Citizens Advice Scotland – 80 case studies	Referrals	25%	<i>Glasgow Herald</i> , 25/3/2013
National Association of Citizens Advice Bureaux	Referrals	‘Around one in five’	House of Commons Work & Pensions Committee, 16/10/2014, Ev65
West Dunbartonshire Community Foodshare, Apr-Dec 2013	Users	43%	<i>Unjust and Uncaring</i> , Feb. 2014
Citizens Advice Scotland	Referrals	22%	<i>Glasgow Herald</i> , 6/2/2014
Wigan Life Centre	Users	23.2%	Hansard, 3/4/2014, col.1065

30. The Scottish Government study found that ‘Providers who participated in the study were in agreement that welfare reform, benefit delays, *benefit sanctions* and falling incomes have been the main factors driving the recent trend observed of increased demand for food aid’ (Sosenko et al. 2013) (emphasis added).

31. The above evidence from the Trussell Trust and Scottish Government, while not providing an estimate of the proportion of food bank users who are sanctioned claimants, shows that it is substantial. Evidence from other sources, summarised in **Table 2**, suggests the proportion is around one quarter.

32. These figures underestimate the impact of sanctions on food bank use, as other users will have had previous sanctions which will have weakened their position and reduced their resilience. The full impact of sanctions will be greater than their proximate impact. Food banks and food bank referral agencies ought to ask users not only whether they are currently under sanction, but also whether they have been sanctioned in the past two years and if so how many times and for how long.

(v) A substantial proportion of people who are sanctioned use food banks

33. Figures on the proportion of sanctioned claimants who use food banks are inevitably relatively hard to come by. They can only be derived from surveys of sanctioned claimants, and the only agency in possession of a sampling frame is the DWP. The DWP has commissioned no relevant work since 2005 (Peters & Joyce 2006). This research was deficient in that one third (32%) of the sample had moved and could not be included. This means that the findings will have been very biased towards the experience of more settled and probably less deprived people. In particular, while we know that homeless people are particularly badly affected by sanctions, there is no mention at all of homelessness in the report and it is unlikely that any homeless people were even found. Moreover, in 2005 there were far fewer sanctions and they were typically much shorter than now.

34. Nevertheless Peters & Joyce did make some relevant findings. ‘It was felt that customers *usually* (emphasis added) found the money to pay for essentials, such as food or bills’ (6.3). ‘Other physical impacts reported included a change in customers’ behaviour. For instance, one customer suggested they had eaten less food as they could no longer afford to buy groceries and this was said to have resulted in weight loss’ (6.5). ‘Customers were found to utilise a range of mechanisms to help deal with the sanction they received. They mentioned: receiving financial loans and contributions, as well as other practical and emotional support from friends or family members, such as receiving food or clothes’ (6.6). ‘...the sanction had an impact on the family and friends who provided financial and emotional support. Financially, it was felt they often bore the brunt of the sanction simply because of the money they spent on the respondent during this time. Specifically, they were said to have made debt repayments on the customers’ behalf; they gave the respondent money directly to live on; they provided food (often for the customer and their family); and they also waived rent payments’ (6.7).

35. The picture emerging from this is that even in 2005, when sanctions were fewer and shorter, a minority even of the less deprived sanctioned claimants surveyed by Peters & Joyce were left without enough food, and, given that at that time there was virtually no voluntary sector food aid, those who could draw on informal food aid from family and friends. In other

words, the need for food banks already existed, and was bound to grow as sanctions became more numerous, longer and more severe.

36. More up-to-date evidence comes from a survey of sanctioned claimants carried out by Greater Manchester CABx in 2013 (Manchester CAB Service 2013). In the absence of a sampling frame, the sample was recruited by CAB staff from among their clients. It was completed on the web. The fact that the sample members had taken up their case with a CAB, which only a minority do, would suggest that they were probably more than averagely affected by their sanctions. On the other hand, the fact that they completed the survey online suggests that they were generally not among the most deprived. Overall, the sample was probably reasonably representative. The survey found that 71% of respondents cut down on food, and 24% had applied for a food parcel, i.e. used a food bank. This is clearly evidence that a substantial proportion of sanctioned claimants use food banks. Since food bank coverage still has many gaps, potential usage by sanctioned claimants must be greater than this.

37. A new survey of CAB advisers in Scotland has produced similar findings (Citizens Advice Scotland 2014). The survey was carried out online in April 2014 and received 51 responses from different types of advisers (generalist, benefits specialist, managers, session supervisors, etc) in over 30 CAB offices in 17 local authority areas. Respondents said that sanctioned clients regularly (64%) or sometimes (33%) skipped meals and regularly (63%) or sometimes (31%) requested a food parcel. One quarter (25%) said that sanctioned clients regularly used other local food support (eg soup kitchens, church lunches, etc) and 39% that they sometimes used it. When asked 'In your experience at your bureau, has an increase in sanctions cases directly led to increased demand for food parcels? (i.e. clients coming in with a sanction need a food parcel as a result)', 73% strongly agreed and 17% somewhat agreed.

38. There are also endless case histories, on the web and elsewhere, of sanctioned claimants who have needed to use food banks. To quote one from many: *'Julie doesn't like borrowing money but had no choice after she was sanctioned. After she bought food and paid her bills, she didn't have much money left. The food she bought ran out and she had to visit a foodbank so that she could eat. Julie says she is lucky she was ill and wasn't very hungry. She spent a lot of time in bed because she was ill, which meant she could keep her heating on low and not use much electricity.'* (CRISIS, 2013)

(vi) The reported scale of food bank use by sanctioned claimants is compatible with the scale of sanctions

39. There were 228,000 JSA sanctions in 2004. Taking the Greater Manchester CAB estimate that 24% of sanctioned claimants use food banks, this would have produced about 55,000 applications to food banks, had there been enough open at the time. In 2013 there were 898,000 JSA and ESA sanctions, which on the same basis would have produced 215,000 food bank applications (note that the 24% estimate was made in 2013 and will have reflected both need and actual provision). In calendar year 2013, on the basis of the figures in **Table 1**, the Trussell Trust had around 772,000 users, and if the Trust accounted for three-quarters of provision, as suggested earlier, there will have been a total of around one million users. Sanctioned claimants will then have accounted for approaching one quarter of total users, which is around the proportion suggested by the estimates in **Table 2**.

40. These are extremely crude estimates. However, they show that the estimates from different sources are broadly compatible with each other.

41. The DWP's Work Services Director, Neil Couling, appearing before the Scottish Parliament Welfare Reform Committee on 29 April 2014 (col.1457), was asked: 'Mr Couling, a variety of people—you heard some of them today—have told us that the sanctions regime is a major driver of the growth of food banks. Do you agree?' He replied: 'No.' But later in the same meeting (col.1463) he admitted that 'If somebody is sanctioned, they will have no benefit income for the period of the sanction unless they claim for hardship, so those individuals will present to food banks.' It appears therefore that Mr Couling's view is that sanctioned claimants account for part of food bank usage, but not a major one. The estimates presented here suggest on the contrary that they do account for a major part.

THE COALITION'S DENIAL OF THE LINK BETWEEN INCREASED SANCTIONS AND INCREASED NEED FOR EMERGENCY FOOD AID

42. The above discussion provides sufficient evidence to show both that there has been a big increase in the need for emergency food aid, and that increased benefit sanctions, especially under JSA, have played a major role in producing the increased need. But the Coalition and its officials continue to deny that there is a causal link between the rise in sanctions and the rise in food bank usage. In one of many similar government statements, Esther McVey stated in her letter to the Scottish Minister, 'There is no robust evidence linking food bank usage to welfare reform' (McVey 2014).

43. We have already seen that this denial depends on the following assertions which have been shown to be incorrect:

- That sanctions have not been on a rising trend
- That sanctions do not make people destitute or create the need for food aid (this assertion is made by ministers though contradicted by Neil Couling)
- That the increase in numbers, severity and length of sanctions did not precede the rise in food bank usage.

44. The Coalition has mounted a number of other arguments:

- Demand has been created by supply
- Food bank usage is higher in Canada and Germany than in the UK
- A survey has shown a reduced proportion of the population finding difficulty in affording food
- Food bank users' statements that they have been sanctioned are false.

45. A further argument has been put forward by the journalist Ruth Dudley Edwards:

- That increased food bank use has been caused by increased generosity.

46. These arguments are now considered in turn.

Supply has created demand

47. The main argument that the government has used to deny that sanctions and other aspects of welfare reform have increased the need for emergency food aid is that food bank *usage* has been supply-led rather than demand-led. Lord Freud (2 July 2013, col.1072) argued ‘food from a food bank—the supply—is a free good, and by definition there is an almost infinite demand for a free good’. Neil Couling said to the Scottish Parliament Welfare Reform Committee on 29 April 2014 (col.1458): ‘Why would poor people respond in a different way from rich people to incentives and things that they can claim or get?..... people will maximise their economic choices.’ Specifically, he quoted the example of applications for Social Fund crisis loans, for which applications trebled in the three years after the Labour government improved their terms and accessibility. ‘...what we had done was expand a service for people who have not got very much money, and—surprise, surprise—they applied for it’.

48. As noted earlier, there is no dispute that an increased supply of food banks will lead to increased usage. But it does not follow that usage does not reflect need. Food from a food bank is most certainly *not* a free good. It is ‘free’ in terms of cash, but not in terms of non-monetary costs. Food banks are open only for limited hours and in a particular part of town – unlike shops which are widely available and have long hours. Applicants have to get there, at the right time. Their use also inevitably carries a stigma. Most fundamentally, in almost all cases applicants have to get a referral from another agency such as a social work department, Jobcentre or Citizens Advice Bureau, whose staff have to be convinced of the genuineness of their need, and the discussion with them adds further to costs in terms of time and travel.

49. The authors of the DEFRA study (Lambie-Mumford et al. 2014) stated in a press release accompanying its publication: ‘We found no evidence to support the idea that increased food aid provision is driving demand. All available evidence points in the opposite direction. Put simply, there is more need and informal food aid providers are trying to help.’¹¹

Food bank usage is higher in Canada and Germany than in the UK

50. The UK Minister for Employment (McVey 2014) and Neil Couling (Scottish Parliament Welfare Reform Committee, 29 April 2014) have referred to the high level of food bank usage in Canada and Germany. The fact that two other countries have higher food bank usage than the UK is not relevant to the question whether sanctions (or other aspects of ‘welfare reform’) have caused increased need for, and use of, food banks in the UK. Moreover, it might be asked why Canada and Germany have been singled out, from dozens of countries at a similar level of development to the UK. International comparisons should be done systematically.

51. The Scottish Parliament Welfare Reform Committee’s report (2014, paras 58-75) made a number of other important observations in relation to this particular point, which are not repeated here.

Change in the proportion of the population with difficulty affording food

52. Esther McVey has quoted an OECD report which found that the proportion of the UK population reporting difficulty in affording food had reduced from 9.8% in 2007 to 8.1% in 2012 (McVey 2014). There are two problems with this. First, ‘difficulty affording food’ is not the same as the extreme plight which causes people to use food banks. Second, the OECD

numbers relate to a very much larger group than those using food banks – 9% of the UK population is 5.7m people – so that movement in these percentages implies nothing about any change in the number of people needing to use food banks.

Table 3: Total donations to charity by individuals in the UK

Year	Total amount given to charity by individuals in the UK (£bn)	Total amount given to charity by individuals in the UK (£bn, 2012/13 prices)	Total charitable giving to DCMS-funded cultural institutions (incl. donated objects) (£bn)	Total charitable giving to DCMS-funded cultural institutions (incl. donated objects) (£bn, 2012/13 prices)
2004-05	7.8	9.46		
2005-06	9.4	11.19		
2006-07	9.3	10.76		
2007-08	10.6	11.97		
2008-09	9.8	10.76	0.304	0.334
2009-10	10.6	11.33	0.236	0.252
2010-11	11.0	12.08	0.250	0.260
2011-12	9.3	9.46	0.357	0.363
2012-13		.	0.348	0.348

Sources: Total charitable giving: Charities Aid Foundation (2012); cultural giving: Department for Culture Media and Sport (2013), Table 1. Inflation adjustment by the present author using GDP deflator.

Food bank users' statements that they have been sanctioned are false

53. The DWP's Work Services Director, Neil Couling, told the Scottish Parliament Welfare Reform Committee (29 April 2014, col 1458-59) 'people will tell you things in order to maximise their economic choices. In the same way as people will tell you, "I am looking for work", because they know that if they say that they are not doing so there will be consequences and they will get sanctioned, people will tell you things when they present to food banks. It might not be wilful deceit that is going on; it might well be their belief about the situation. Then, the food banks will record that and it will be presented back as a fact.... Academics are.... looking at what people are reporting in food banks and citing that as evidence. ' The problem with this argument is that while some individuals might not give accurate information, it is implausible to suggest that food bank users would give the *same* false information on a sufficient scale to distort the resulting picture. They are not a group who can concert action on any scale. Also it must be remembered that information about the prominent role of sanctions in creating food poverty has come not only from food banks

themselves, but also from referral agencies, who tend to have in-depth knowledge of individual cases. Mr Couling offered no evidence to support his suggestion.

‘Rising generosity’

54. In an attack on Oxfam, the journalist Ruth Dudley Edwards argued in the *Observer* (15/6/2014) that ‘food banks.....feature on Oxfam’s website with the half-witted argument that their rising numbers indicate rising poverty. In fact, they indicate rising generosity’. In order to sustain this argument, Ms Edwards would have to show that the UK population has become more generous. The available evidence shows that this is not the case. **Table 3** presents recent figures on total charitable giving and on giving to cultural institutions. There is no significant upward trend. With this part of her argument failing, Ms Edwards would have to move on to find some reason why a more or less constant volume of giving has recently been diverted towards food banks, on a large scale. The obvious explanation for this is that givers have perceived a greater need for food aid. But this of course confirms that the growth of food banks has been in response to growing need.

CONCLUSIONS AND RECOMMENDATIONS

55. The conclusion of this review of the evidence is that the increase in numbers, length and severity of benefit sanctions, especially under JSA, has been a major contributor to the increased need for emergency food aid in Britain.

56. The major recommendations flowing from this are that:

- 1. Behavioural sanctions, i.e. the use of financial penalties to make unemployed people to particular things, should be abolished**
- 2. While conditions for the receipt of unemployment benefit – such as the internationally-recognised requirements that to be unemployed people must be available and looking for work - are unavoidable, it is essential that an adequate safety net should be restored for people who do not meet the conditions.**

57. I have spelled out the reasons for these recommendations elsewhere, for instance in my evidence to the House of Commons Work and Pensions Committee inquiry into *The Role of Jobcentre Plus in the Reformed Welfare System* (Webster 2013). In summary, the currently dominant belief in behavioural sanctions is based on:

- ignorance and misrepresentation of local labour markets
- exaggeration of the effect of Active Labour Market Policy (ALMP) on both the level and duration of unemployment
- ignoring of the evidence that UK sanctions are much more frequent and harsher than those of other countries
- ignoring of all evidence of negative effects of sanctions and failure to carry out any overall assessment including the negative as well as supposed positive effects
- failure to consider alternative ways of influencing claimants.

58. All of the above deficiencies are found in the DWP’s most recent attempts to justify its sanctions policies: DWP (2008) and DWP (2014).

59. Although the available evidence clearly establishes the major role of benefit sanctions in increasing the need for emergency food aid, there are deficiencies in the available information. Therefore there are two further recommendations:

3. **The Trussell Trust, as the major organizer of food banks in the UK, should update its categories of food bank user in order separately to identify sanctioned benefit claimants.**
4. **In order to avoid underestimating the impact of sanctions, all food banks and referral agencies should ask claimants not only for the immediate reason for food bank use but also whether they have had a benefit sanction within the past 2 years, and if so how many times and for how long.**

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Figure 1

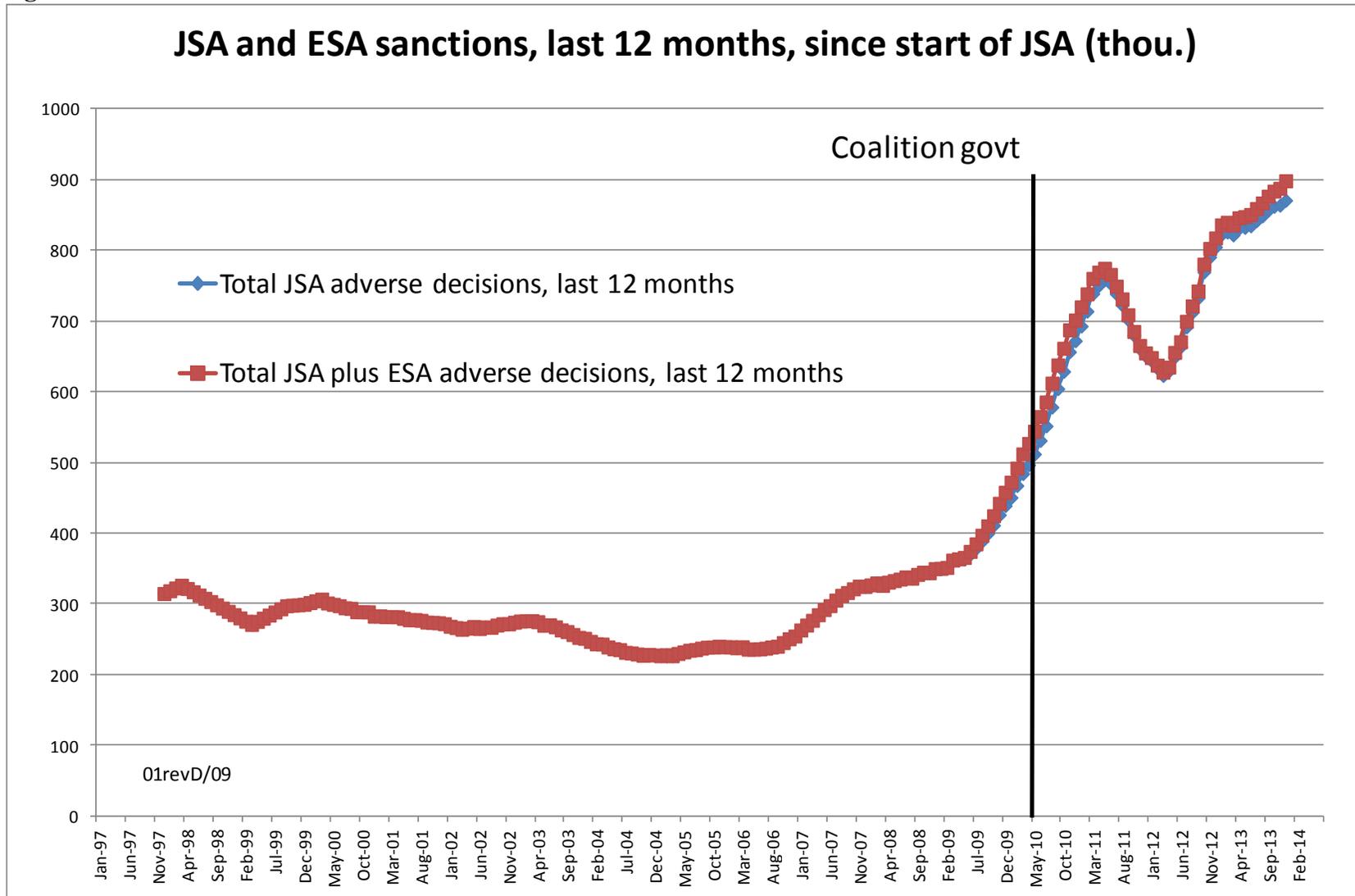


Figure 2

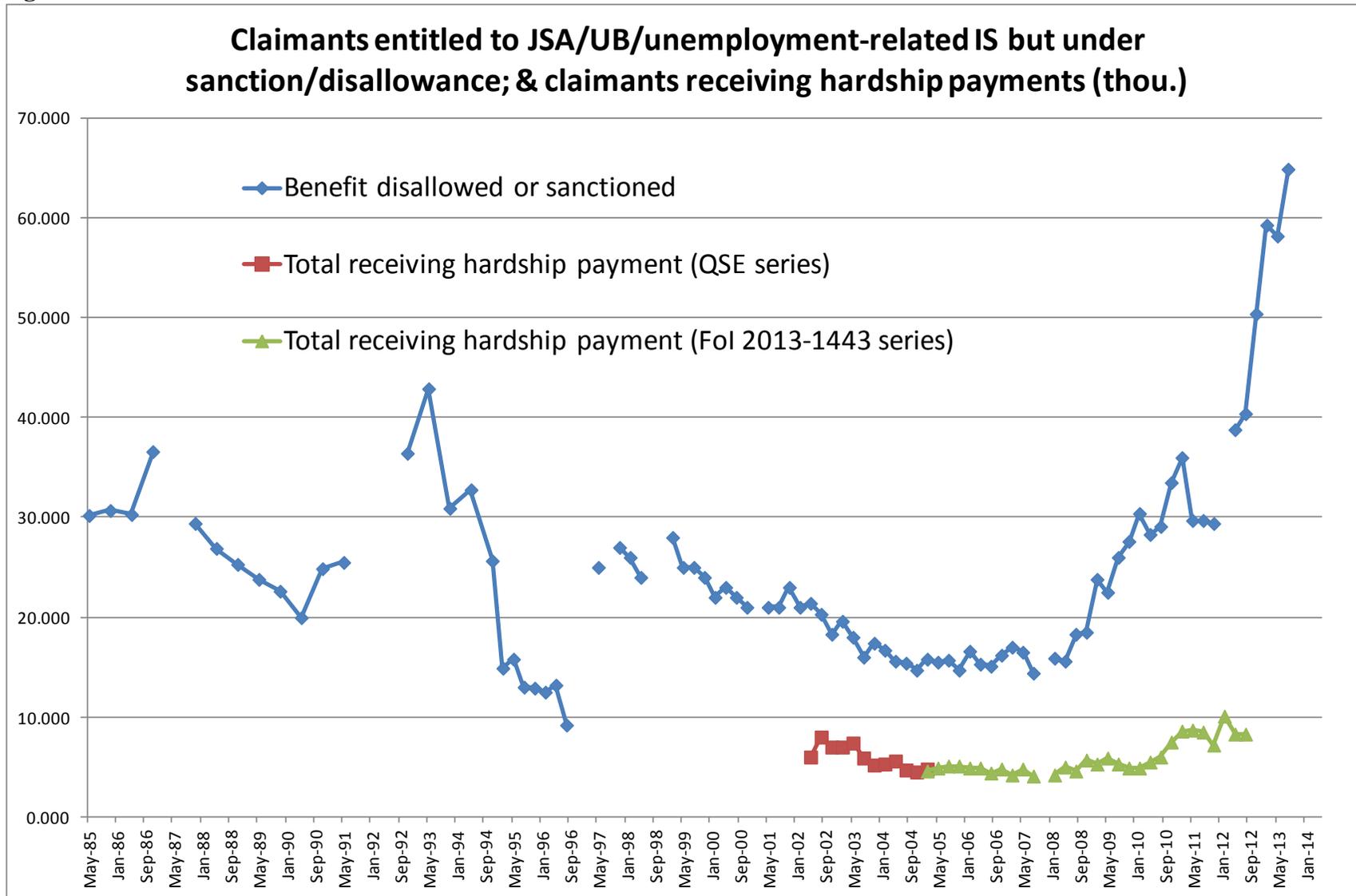


Figure 3

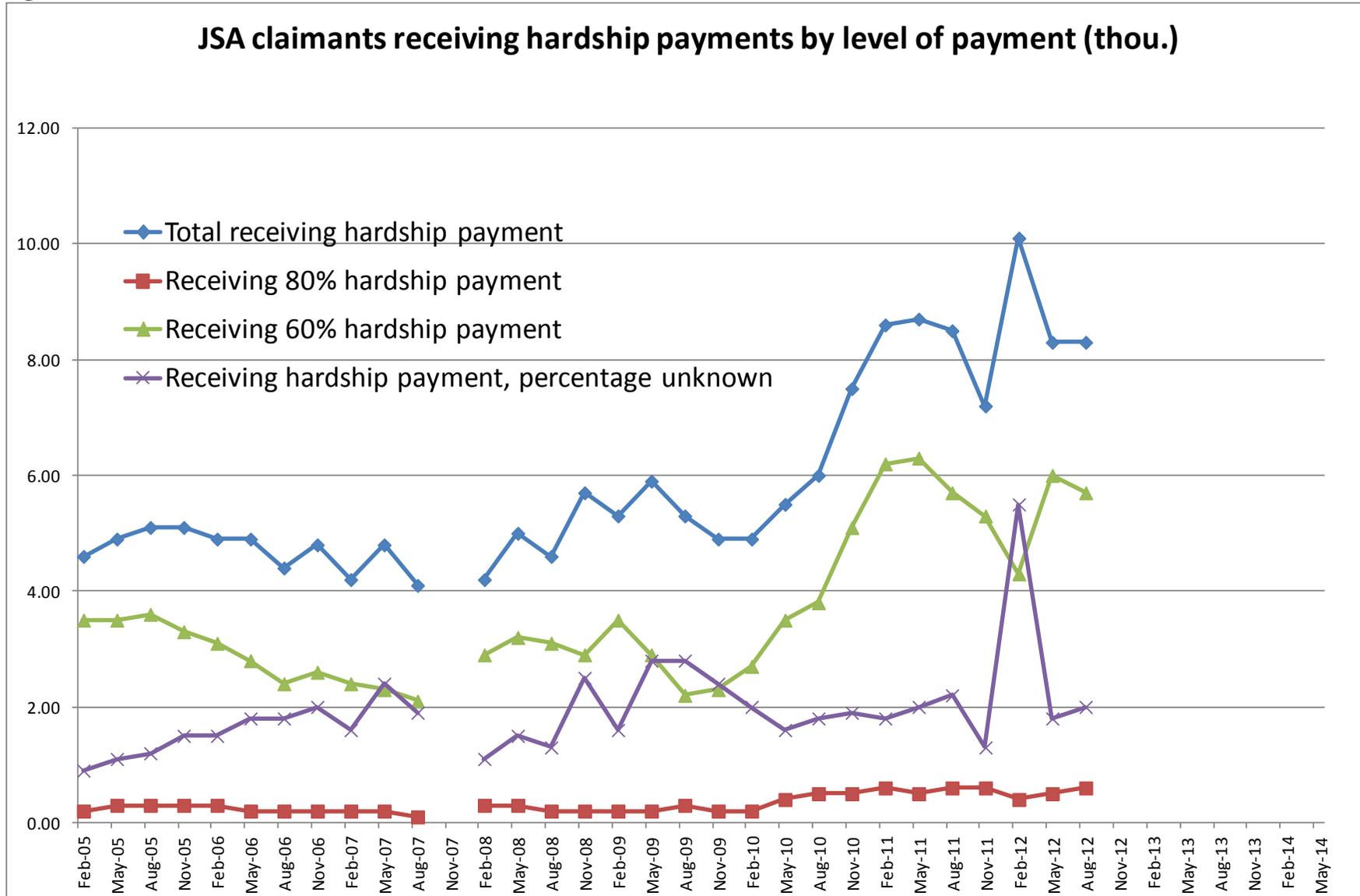
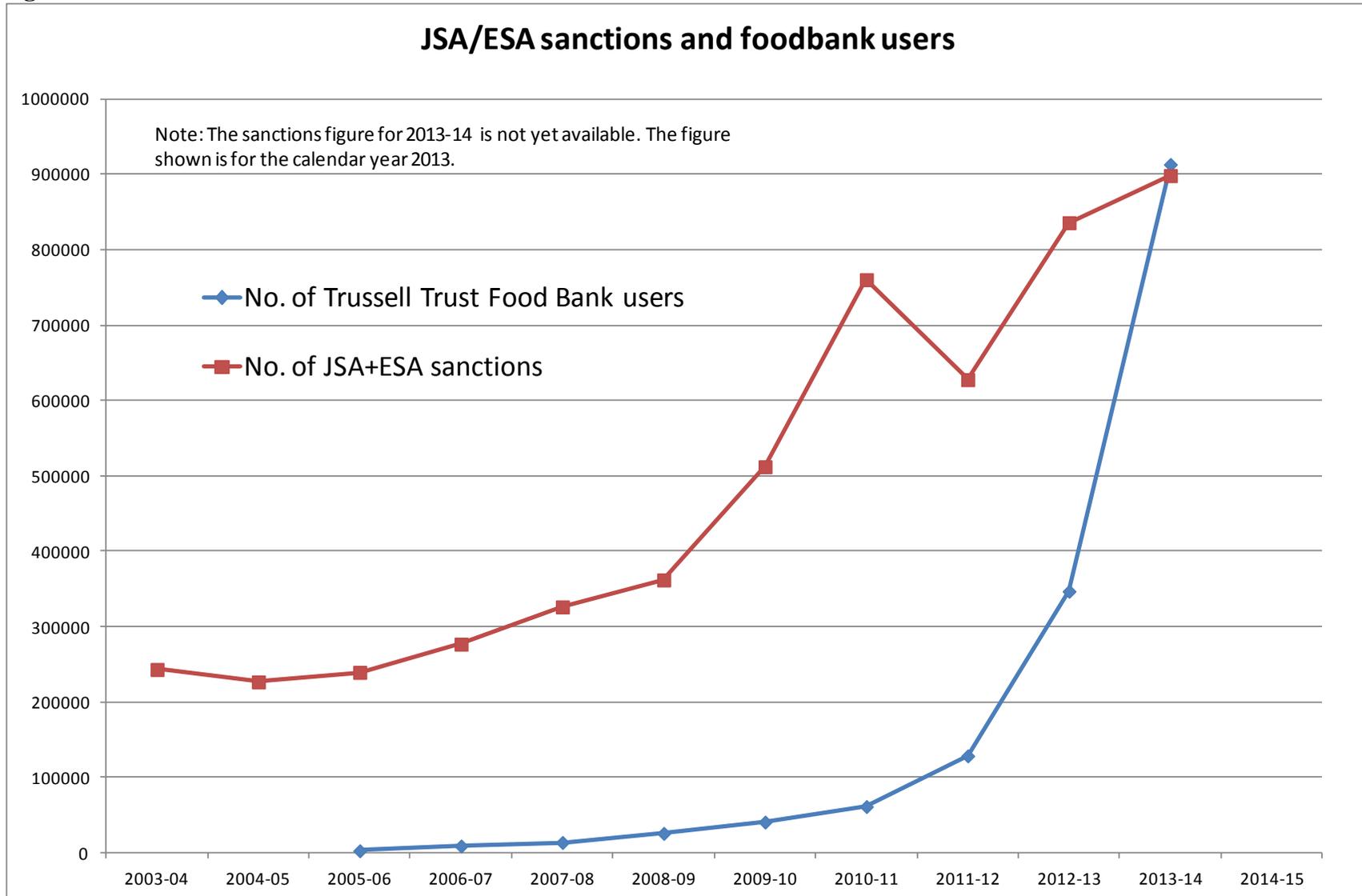


Figure 4



¹ More detailed analysis of the growth of JSA and ESA sanctions is available in my statistical briefing for May 2014, at <http://www.welfareconditionality.ac.uk/2014/03/the-great-sanctions-debate/> or <https://paulspicker.wordpress.com/tag/sanctions/>. Unless otherwise stated, the source for all sanctions statistics is the DWP website.

² I have carried out a fuller analysis of the issues affecting lone parents, for a Fawcett Society inquiry. This is available on request.

³ *Jobseeker's Allowance*, Cm 2687, October 1994, Foreword and paras 4.39-4.40

⁴ The sources for Figure 2 are as follows. For claimants under sanction: 1985-96: DSS Unemployment Benefit Statistics (various titles); Nov 1997 & Feb 1999: Social Security Statistics; May 2001 - Feb 2005: JSA Quarterly Statistical Inquiry; other data points: DWP FoI Response 2014-614, 5 March 2014. For claimants receiving hardship payments: May 2002 - Feb 2005: JSA Quarterly Statistical Enquiry; May 2005 - Aug 2012: DWP FoI Response 2013-1443, 26 April 2013.

⁵ The source for Figure 3 is DWP FoI Response 2013-1443, 26 April 2013.

⁶ There is a great deal of evidence on these points. To quote one example, when the recent survey of CAB advisers in Scotland asked 'When you see clients who have been sanctioned, has the process of appeals and hardship payments been clearly explained to them by the Jobcentre / DWP?', 76% replied 'No, not usually' and 16% 'No, never'. The same report quoted the following case history: 'A North of Scotland CAB reports of a client who came to bureau to find out if the hardship payment they have applied for has been processed. The bureau contacted the local Jobcentre who advised them that client's claim for hardship payment was in Wolverhampton (where DWP processes mail) and could take two to three and a half weeks to process, and for the Jobcentre to receive it back from Wolverhampton. The client asked if they could get a same day hardship payment if they went to the local Jobcentre to complete a new hardship payment form. The Jobcentre said that the client would not be able to get a same day hardship payment, but if they go today to complete a new hardship payment form at the Jobcentre then they will scan it and send it to the right department. This will cut out the postage time of three days to get there and three days to get it back' (Citizens Advice Scotland 2014).

⁷ Local authorities' schemes commonly state that applicants must be 'receiving' a benefit such as Jobseeker's Allowance, implying that sanctioned jobseekers are ineligible. The London Borough of Croydon's Discretionary Support Scheme, to pick one example, states in terms (para.2.3) that no payment will be made to sanctioned claimants. See <http://www.croydon.gov.uk/contents/departments/advice/pdf/cds-criteria.pdf>

⁸ Steve Webb, Minister of State, Department for Work and Pensions, *Hansard*, 3 April 2014 col.1079

⁹ The *Guardian's* mapping of food bank provision relied on readers sending in details of non-Trussell Trust food banks in their area, and must inevitably have been incomplete.

¹⁰ Information given by Glasgow City Council's Executive Member for Social Care, at the Working Together to Tackle Hardship Conference, Glasgow City Chambers, 17 March 2014

¹¹ http://www2.warwick.ac.uk/newsandevents/pressreleases/press_briefing_following/