

## Research Summary

The Employment Service (ES) commissioned BMRB Qualitative to carry out a qualitative research study into the impact of sanctioning on Jobseekers taking part in the New Deal.

Sanctioned clients lose their Jobseekers Allowance for 2, 4 or 26 weeks. At May 2001, 644 NDYP clients (0.2 per cent of people on NDYP) had received a 26 week sanction. This research explored sanctioning (with a particular focus on 26 week sanctions) from a variety of perspectives: Jobseekers on New Deal for Young People (NDYP), Jobseekers on New Deal for Long Term Unemployed (ND25 plus), NDYP personal advisers, and NDYP option providers.

The research adopted a wholly qualitative methodology using case studies of people taking part in the New Deal for Young People who had been sanctioned for 26 weeks. For each case, researchers spoke to the Jobseeker, his or her Personal Adviser, and in some cases, the Option Provider. The case studies were supplemented with further research among Personal Advisers not directly involved with Jobseekers sanctioned for 26 weeks and the views of people on New Deal for Long Term Unemployed, where new sanctioning arrangements were being considered.

- There were several communication issues at the heart of problems over sanctioning, for example, among Jobseekers there appeared to be little use of New Deal booklets, loose interpretations of the mandatory nature of New Deal, and misunderstandings over the staggered nature of sanctions and eligibility for hardship payments and other benefits.
- Sanctioned respondents did not feel they had a choice regarding their New Deal Option, and tended to be mandated to either the ETF or Voluntary Sector Options. They often 'dropped-out' of their Option very quickly, reporting that they were dissatisfied and could see no long term benefit to taking part. It could be difficult for NDPAs to move them to other Options either because the Jobseeker was just not suited to the alternatives, or there was limited availability in their area.
- There were poor perceptions, among all types of respondents, including some NDPAs, of the ETF Option.
- Some NDPAs felt it would be useful to extend the Gateway period for certain clients who genuinely needed more time.
- There was a tendency for NDPAs to oversimplify the sanctioning process such that Jobseekers had a range of misunderstandings about what was expected of them, in particular that they could have their benefits reinstated by returning to the Option.
- There was a general disbelief among Jobseekers that they would be sanctioned, and surprise when it happened. However, there was evidence that Jobseekers were becoming aware of the threat of sanctions becoming a reality through word of mouth.
- There was a lack of clarity among clients regarding the reason why they had been sanctioned.
- There were mixed reactions from Jobseekers towards being sanctioned, with some seeing it as 'fair', and others feeling that their problems had not been properly addressed.
- Respondents' reactions to being sanctioned, particularly for 26 weeks, often revolved around looking for work, with some finding short term or casual work. Some Jobseekers had not previously looked seriously for work so for them looking for any jobs was an increase in jobsearch activity. Others, however, had genuine barriers to employment; NDPAs and Option Providers expressed concerns over the vulnerability of the latter group.
- Sanctions appeared to be an emotional strain for Jobseekers and, in some cases, for their families too.
- There was widespread support for the principle of sanctioning even among sanctioned jobseekers, though they were likely to consider 26 weeks as 'too harsh'; NDPAs were more likely to see 26 week sanctions as a useful tool that

was taken more seriously by clients than

2 or 4 week sanctions.

## Executive Summary

### The types of people who are sanctioned

- Those who had been sanctioned for 26 weeks divided into three distinct groups:
  - those who did not want to be on New Deal;
  - those who were motivated to be on New Deal, but on condition that the Option met their perceived needs (both in terms of practical issues, like travel, and suitability to gaining employment); and
  - those who stated that they were prepared to comply with the requirements of New Deal but became sanctioned as a result of a misunderstanding or poor communication.
- Many of the respondents sanctioned for 26 weeks had significant problems which could prevent them from getting work. Examples included learning difficulties, lack of literacy, criminal records and drug / alcohol problems.

### The period leading up to sanctions

- Whilst client respondents had little awareness of New Deal prior to joining the programme, many had high hopes that they would obtain a job as a result of participation. However, others were cynical about the New Deal and what it could offer, seeing it as means for lowering the unemployment figures.
- Views of the Gateway period were largely shaped by Jobseekers' experiences with their Personal Adviser; many had a good relationship with their Personal Adviser and valued help with jobsearch. However, some wanted more support from their NDPA, and longer appointments. Some people felt that their NDPA was not responding appropriately to their needs.
- Booklets about New Deal and sanctions tended to remain unread.

- Many NDYP respondents were aware that participation in New Deal was mandatory; however, some interpreted 'mandatory' as relating simply to the requirement to be actively looking for work.
- Very few sanctioned respondents felt they had any kind of choice regarding their New Deal Option. NDPAs emphasised that they had discussed various Options during Gateway with Jobseekers, but such discussions were not recalled by clients.
- Those sanctioned tended to be mandated to either the ETF or Voluntary Sector Options.
- A few sanctioned respondents failed to start an Option. Generally though, people started but dropped out quickly. The reasons for dropping out largely related to dissatisfaction with the Option and what it could offer them in the long term.
- ETF was often poorly perceived, both by Jobseekers and advisers.
- Generally, sanctioned Jobseekers had discussed problems they were having with their Option with their NDPA. However, the lack of choice meant that there was little alternative but to attend the Option or be sanctioned. This could be either because the client was not suitable for most of the options available, or that provision was limited in their area. Some NDPAs wanted discretion to extend Gateway where they felt a client could genuinely benefit from further time. NDPAs also expressed some dissatisfaction at the range of Options available on New Deal, often feeling that Jobseekers' interests were not met.

### Understanding of the sanctioning process

- Reasons for non-attendance fell into four categories: Option-related

problems, personal issues, lifestyle issues, and communication issues.

- Awareness of sanctions was high among client respondents, however, their understanding of the sanctions regime for New Deal was very poor. Written information was seldom read, and both Jobseekers and advisers felt that face-to-face explanations were more useful. However, in an effort to communicate the message of sanctions, advisers tended to oversimplify what was involved leading to various misunderstandings on the part of Jobseekers, including not realising that returning to the Option would lead to the reinstatement of benefits. The misunderstandings were probably compounded by Jobseekers not believing that they would be sanctioned until it actually happened.
- Many 26 week sanctioned clients were unaware that they had already been sanctioned for 2 and 4 weeks, possibly because they had several unauthorised absences in quick succession, leading to an overlap in sanctions.
- The lack of understanding about the staggering of the sanctioning regime has important implications for its effectiveness, particularly in helping Jobseekers to avoid being sanctioned at all.
- Some clients were unsure why they had been sanctioned. Some asked their NDPA, others decided they wanted nothing more to do with the New Deal and signed off benefits.

## **Financial and emotional impact of sanctions**

- Client reactions to being sanctioned were mixed; some felt they had not co-operated with the New Deal and therefore sanctions were 'fair', others felt aggrieved that their NDPA or Option Provider had not properly addressed their problems by providing alternatives better suited to their needs.
- Generally sanctioned Jobseekers contacted the Jobcentre to investigate alternative means of support once sanctioned, however, many avoided

their NDPA and concentrated on looking for work by themselves.

- Unless the client had moved directly into a job or onto another benefit, sanctions could have a serious financial impact. NDPAs suspected that those given 26 week sanctions were either already obtaining an income from elsewhere, or perhaps relying on their families and doing some casual work. Sanctioned respondents largely fell into the latter group, with a few eventually obtaining permanent work.
- Both NDPAs and OPs agreed that sanctions did help certain Jobseekers to start, or go back onto, their Option. However, it was also felt that once a client had reached the 26 week stage they were unlikely to return to the Option.
- Whilst many of those with children received hardship payments, other sanctioned clients appeared to be unaware of the possibility of being able to get such help. There were also some misunderstandings about eligibility for other benefits, such as Housing Benefit.
- Emotionally, Jobseekers found sanctions stressful and depressing. This related to feelings of shame that they were not able to contribute to the household, but were a drain on it. Others talked about losing their confidence in relation to job interviews.
- Where sanctioned respondents were living with family, they talked about the negative effect losing benefits had on their relationships, ranging from 'a few moans and groans' to arguments, alienation, and threats of being thrown out of the house.

## **Engagement with 'the system'**

- Once 26 week sanctioned Jobseekers realised that their benefit had been stopped, their level of jobsearch generally increased; for some the sanction was a 'jolt' spurring them into action. Some found work, although this was often short-term and casual; but there also remained a group of individuals who had various barriers preventing them from obtaining

employment despite genuinely actively seeking work. It should be noted that some Jobseekers had not previously looked seriously for work, so for them looking for any jobs was an increase in jobsearch activity.

- In general, Jobseekers disengaged from 'the system' after being sanctioned, particularly those with 26 week sanctions. Although some maintained good relationships with their NDPAs and still felt positive about the New Deal, many wanted to sign off and have nothing to do with claiming benefits if it meant remaining on New Deal.
- Being sanctioned did not seem to impact greatly upon the relationship between the client and their NDPA; either relations were already poor or they blamed the system rather than the NDPA.
- Concerns were expressed by NDPAs and OPs over sanctioned clients who had serious personal difficulties that really needed intensive help.

### **The principle of sanctions**

- Amongst NDYP clients, there was general support for the principle of sanctioning, although many sanctioned clients were unlikely to feel that they themselves should have been sanctioned.
- There was a feeling amongst Jobseekers that stopping all benefits was 'too harsh' and that 26 week sanctions were too long.
- NDPAs supported the use of sanctions, but some expressed concerns over vulnerable clients dropping out of the welfare system with little means of support. NDPAs welcomed the use of 26 week sanctions because they felt clients took them more seriously than 2 and 4 week sanctions.