

**CONDITIONALITY AND
SANCTIONS**

**REPORT TO THE SECRETARY
OF STATE FOR WORK AND
PENSIONS**

NEIL COULING

Contents

	Page
Introduction	3
Background	5
Findings	6
Recommendations and Conclusions	9
 Annexes	
 Letter from District for Manager East London (14 August 2012)	12
 Copy of Adviser Manager e-mail published in the Guardian	14
 Papers from the PCS Union, issues raised with me directly by Jobcentre staff and other issues raised in the Guardian together with a management commentary	16

Introduction

1.1 On 22 March 2013 the Guardian newspaper reported that it had documentary evidence that a secret regime of targets existed within Jobcentre Plus which was causing claimants to be inappropriately sanctioned. They cited a copy of an e-mail from one of the Adviser Managers in Walthamstow Jobcentre.

1.2 In April 2011 the Government removed the system of targets through benchmarks which had existed since 1996, and was strengthened in 2006. As Government policy has not changed since then you asked me to investigate the matter urgently.

1.3 Subsequent to that further material emerged via the Guardian and on Maundy Thursday afternoon the PCS shared information they had been collecting, mostly the material that had been appearing in the Guardian. Whilst this report first focuses on Walthamstow I have looked into these other allegations as they are of a generic nature.

Background

2.1 Sanctions have been a feature of the system of unemployment benefits since 1911. They were introduced in their present form following the introduction of Jobseeker's Allowance (JSA) in 1996. Their use has waxed and waned over the years and they have sometimes been used more assertively than others, notably at times of rising unemployment. For example the system of internal targets, through benchmarks, which was set at an overall level of 6% of live load, was enhanced in 2006 and then further tightened in 2009 to make sure that 1% of referrals came via the actively seeking and refusal of employment elements. Benchmarks remained in place until their abolition in April 2011.

2.2 The rationale for sanctions is two fold. First, you can't get a job unless you are looking for one, so sanctions can be used to get claimants to search for work. Second, unemployment benefits have always been conditional, paid to support people who have no work and therefore no income on the grounds that they seek that work. For conditionality to be enforced some form of penalties are required.

2.3 Sanctions have consistently been proven effective in sustaining conditionality within an active regime, and are widely recognised in effective back-to-work regimes from around the World. The introduction of Jobseeker's Allowance in 1996 and its supporting regime has been reckoned to reduce the numbers of people claiming unemployment benefit by 200,000. With the effect of increasing the number of people in work and saving some £700m per annum not including Housing Benefits.

2.4 The Coalition Government reformed the system of sanctions and conditionality through the Welfare Reform Act 2012. The new system for JSA was introduced on 20 October 2012 and Employment Support Allowance (ESA) on 5 December 2012.

2.5 Whilst sanctions and conditionality have been a feature of the system of unemployment benefits since inception they are not without controversy. The Coalition Government was concerned about the deep-rooted system of targets that existed inside of Jobcentre Plus. As part of the preparations for their reforms the pre-existing system of personal benchmarks for applying sanctions was removed from April 2011 to both help make the culture of Jobcentre Plus less about applying processes and more focussed on outcomes but also to ensure that sanctions would be applied properly. Strong and very clear communications were issued at the time from my Predecessor Ruth Owen and the Regional and local District Managers as part of this programme of cultural change. For example see the letter sent by the District Manager for East London on 14 August 2012 (attached at Annex A).

2.6 Management information is collected on referral rates and decision outcomes. This is used to assure Managers that conditionality referrals are being done appropriately. Where an outlier is identified, whether that is high or low, Managers collect evidence to explain these figures and where justified, no further action is taken. Should there be any issue of inappropriate use or non-compliance with the conditionality and sanctions legislation; staff should

be supported to correctly impose conditionality with the use of Personal Improvement Plan (PIP) and Line Manager support.

2.7 Jobcentre Advisers do not, as widely assumed in the reporting of these issues, apply sanctions directly. What advisers do is raise a doubt as to conditionality and they refer the case with associated evidence to a Decision Maker (DM) independent of the process. The DM then reaches a decision, and writes to the claimant. If a sanction is applied, a so called adverse decision (as seen from the claimant's perspective), is imposed, together with a right of appeal to an Independent Appeal Tribunal.

2.8 By separating the referral from the decision the system helps ensure that inappropriate sanctioning is much less likely to occur. Indeed if a rogue manager did demand that all cases should be sent for a sanction this system provides a natural fail safe because the DM would refuse to implement a sanction decision where there was insufficient evidence. This tried and tested mechanism has been in place since JSA was introduced in 1996 and has not been changed in 2011 or through the 2012 changes.

Findings

3.1 On 6 February 2013 an Adviser Manager in Walthamstow Jobcentre sent an e-mail to the advisers. A copy of that (annotated) was leaked to the Guardian at some point after and published on 22 March (attached at Annex B).

3.2 I asked the Work Services Director for London and the Home Counties John-Paul Marks to interview the Adviser Manager and the management chain.

3.3 In his interview with the Adviser Manager who wrote the email, who this month completed her 28th year of public service, Mr Marks saw nothing inappropriate in her attitude. She said her email was an attempt to translate improvement messages into tangible outcomes for her advisors to understand.

3.4 It is apparent that the Adviser Manager, suspecting that sanctions were not being applied appropriately, was trying to address low levels of adviser activity when she wrote the email to her team, and the manager now recognises that the language was inappropriate and wrong. Walthamstow's rate of sanctions was 2.4%, below the level of the other Jobcentres in the District which must be understood in the context of the improvement activity the local team had put in place since the start of that new operational year. The site, and District, had been struggling previously to match the performance of other Jobcentres to help people back to work and the team had been working hard to turn this around.

3.5 Looking at the data from London and the Home Counties and across the UK it would appear that the response to the removal of sanctions benchmarks in 2011 was a marked reduction in sanctioning activity which upon investigation suggested that conditionality was no longer being enforced appropriately by some individuals. As part of the "Race for Jobs", a regionally inspired effort to reduce unemployment in London, the proper application of the rules was stepped up successfully in most locations across the region. The "Race for Jobs" has seen unemployment fall across the group and London's employment rate now stands at 70.3%, 0.6% higher than the previous quarter and the highest rate for over three years. Even so by the end of 2012 Walthamstow had the lowest rates of referral among comparable sites in the East London District. So I am satisfied that explains the management focus and motivation for the local response.

DMA - JSA CONDITIONALITY (Previously SBR)

'Conditionality Referrals (previously SBR) as % of Live Load'...

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
National Total	2.5%	2.4%	2.3%	2.5%	2.7%	2.1%	2.5%	2.7%	2.9%	2.6%	3.2%	2.9%	3.6%	3.6%	3.3%	4.2%	4.2%	3.4%	4.5%
Central England	2.8%	2.9%	2.8%	2.8%	3.5%	2.6%	3.0%	3.1%	3.1%	2.5%	3.4%	3.1%	3.6%	3.6%	3.4%	4.5%	5.1%	3.7%	5.2%
LHC	2.2%	2.0%	2.0%	2.3%	2.6%	2.2%	2.9%	3.0%	3.5%	3.5%	4.0%	3.6%	4.3%	4.3%	3.9%	4.9%	4.6%	4.1%	5.4%
NE England	2.5%	2.5%	2.2%	2.4%	2.4%	1.7%	1.8%	2.0%	2.1%	1.7%	2.0%	1.9%	2.3%	2.6%	2.7%	3.2%	3.0%	2.4%	3.1%
NW England	2.7%	2.5%	2.4%	2.6%	2.6%	1.9%	2.4%	2.4%	2.7%	2.3%	3.0%	2.5%	2.9%	2.9%	2.7%	3.2%	3.4%	2.9%	4.1%
Scotland	2.0%	2.1%	2.0%	2.1%	2.5%	1.7%	2.0%	2.2%	2.7%	2.3%	2.6%	2.4%	3.1%	3.6%	3.2%	4.3%	4.0%	2.9%	4.2%
Southern England	3.2%	3.0%	2.9%	3.2%	2.6%	2.1%	2.5%	3.1%	2.9%	3.0%	3.6%	3.5%	5.4%	5.1%	4.4%	5.3%	5.1%	4.0%	4.7%
Wales	2.0%	1.8%	1.8%	2.0%	2.1%	1.7%	1.9%	2.9%	2.8%	2.3%	2.7%	2.6%	2.7%	2.8%	2.1%	3.6%	4.1%	2.7%	3.3%

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
Beds & Herts	3.5%	3.4%	3.1%	3.1%	3.2%	3.4%	3.7%	4.0%	3.9%	3.7%	3.7%	2.4%	4.0%	3.6%	3.8%	4.5%	4.7%	3.1%	3.4%
East London	2.0%	1.8%	1.8%	2.3%	2.6%	2.2%	2.5%	2.7%	3.9%	4.8%	5.3%	4.9%	4.4%	4.0%	4.0%	5.5%	4.7%	4.9%	7.0%
Essex	2.0%	1.5%	1.6%	1.7%	1.6%	1.4%	1.9%	1.7%	2.9%	3.0%	4.3%	4.1%	5.5%	5.4%	4.5%	5.1%	5.7%	4.6%	6.3%
Kent	1.5%	1.5%	1.5%	1.9%	3.4%	2.9%	3.9%	3.6%	3.5%	3.1%	3.9%	3.6%	4.3%	5.2%	4.6%	7.1%	6.5%	5.5%	8.0%
North London	2.1%	1.7%	1.8%	2.0%	1.9%	1.6%	2.2%	2.5%	3.1%	3.1%	3.4%	2.6%	3.4%	3.5%	3.0%	3.6%	3.3%	3.5%	3.9%
South London	1.7%	1.7%	1.8%	1.7%	1.9%	1.6%	2.6%	2.6%	2.8%	2.7%	3.4%	3.4%	4.3%	4.3%	4.2%	5.0%	4.5%	4.2%	5.2%
West London	3.0%	2.4%	2.5%	3.3%	4.1%	2.8%	4.3%	4.0%	4.5%	3.9%	4.2%	3.4%	4.2%	4.5%	3.3%	3.8%	3.4%	2.8%	3.5%

'Conditionality Adverse Decisions (previously SBR) as a % of total Decisions'...

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
National Total	69.8%	71.9%	72.8%	71.2%	72.7%	71.9%	76.5%	74.8%	74.7%	76.0%	76.8%	78.5%	77.0%	74.7%	76.8%	76.7%	77.4%	80.7%	83.1%
Central England	72.9%	73.8%	73.7%	74.4%	77.7%	75.8%	78.2%	75.9%	74.7%	74.4%	75.6%	77.5%	77.1%	75.0%	75.4%	74.4%	77.8%	80.4%	82.8%
LHC	76.8%	78.0%	80.9%	78.8%	80.8%	80.0%	84.6%	83.7%	82.6%	84.1%	84.0%	83.4%	85.7%	82.3%	84.0%	83.0%	82.9%	85.2%	87.5%
NE England	70.9%	72.6%	74.4%	73.6%	72.2%	71.8%	77.4%	75.2%	74.4%	77.8%	76.3%	83.0%	82.3%	79.7%	81.2%	80.7%	81.2%	84.6%	86.1%
NW England	71.2%	74.0%	73.1%	72.4%	71.4%	72.1%	73.9%	75.4%	74.4%	75.0%	77.2%	77.4%	76.2%	76.3%	74.9%	75.8%	73.0%	73.5%	77.4%
Scotland	52.8%	56.6%	54.9%	57.3%	57.6%	57.6%	68.5%	71.6%	73.5%	77.1%	77.6%	79.6%	75.0%	77.2%	80.1%	73.0%	77.0%	81.6%	84.1%
Southern England	62.3%	65.7%	68.5%	59.4%	59.2%	58.2%	64.1%	57.9%	60.8%	58.9%	63.5%	65.4%	59.7%	57.0%	62.7%	66.9%	64.6%	75.1%	77.2%
Wales	73.4%	78.5%	77.2%	77.3%	76.7%	77.1%	80.4%	79.0%	77.2%	78.3%	75.6%	83.4%	86.5%	82.7%	83.1%	85.2%	84.7%	82.3%	84.4%

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
Beds & Herts	70.2%	75.0%	75.0%	77.9%	81.4%	84.3%	81.6%	86.7%	85.4%	88.9%	88.9%	89.3%	88.5%	84.1%	90.0%	88.2%	87.7%	88.0%	92.7%
East London	80.0%	81.1%	81.2%	82.5%	82.6%	82.0%	86.4%	86.3%	87.1%	87.7%	87.8%	86.9%	87.5%	84.4%	87.4%	86.0%	87.9%	89.3%	90.2%
Essex	63.8%	68.9%	78.2%	78.4%	78.8%	70.2%	82.2%	68.7%	76.1%	72.6%	74.5%	73.6%	79.2%	73.7%	71.4%	73.0%	74.3%	77.2%	80.1%
Kent	76.3%	73.7%	80.0%	78.3%	83.9%	80.7%	81.2%	81.8%	81.4%	82.3%	82.6%	82.0%	81.4%	76.8%	76.8%	78.0%	77.3%	84.5%	87.1%
North London	80.2%	77.3%	80.6%	74.9%	78.8%	81.4%	86.1%	84.9%	82.0%	85.2%	84.7%	82.5%	86.0%	86.1%	86.8%	82.2%	83.5%	84.1%	85.1%
South London	76.8%	81.4%	85.8%	78.6%	81.5%	80.7%	86.1%	82.4%	81.8%	84.4%	84.6%	86.4%	87.7%	85.8%	88.3%	87.2%	85.4%	87.7%	90.0%
West London	82.6%	81.5%	82.7%	78.8%	78.5%	76.3%	85.6%	85.8%	80.8%	82.4%	82.0%	81.6%	87.0%	84.4%	84.3%	82.6%	82.0%	79.1%	85.9%

- **Beds & Herts.** – sites range from 1.6% in Hertford to 6.9% in Luton
- **East London** – ranges from 2.6% in Walthamstow to 10.8% in Canning Town
- **Essex** – sites range from 1.7% in Witham to 12.0% in Rayleigh
- **Kent** – sites range from 2.8% in Herne Bay (inc Whit) to 7.7% in Gravesend
- **North London** – sites range from 1.4% in both Edmonton and Westminster to 5.5% in Hendon
- **South London** – sites range from 2.6% in Purley to 6.2% in Croydon
- **West London** – sites range from 1.6% in Kingston to 5.8% in Harrow.

3.6 Two mistakes were made in Walthamstow. The language, tone and contents of the e-mail were simply wrong and an inappropriate communication channel was used. The particular reference to a local DMA target of 5% was neither necessary nor accurate and appropriate. Concerns about Advisers' performance should have been picked up with them individually in a face to face conversation rather than through a group e-mail to the whole team. Our wider review of the evidence suggests a limited number of other locations where errors of this type were also made. These were dealt with when brought to light.

3.7 Cultural change does not happen overnight and eradicating the legacy target-culture in JCP built up over decades is not easy. Targets, including for sanctions and conditionality, were administered in JCP for many years, and we have been trying to change that pervasive culture by reducing the number of targets to a minimum.

3.8 Given this legacy of targets, I do not think anyone should be surprised that there are, and will from time to time for a while yet, be isolated examples of the kind highlighted in the Guardian report. That shouldn't be taken as a sign of complacency or resignation that this can't be changed but a recognition that

an organisation of 40,000 people with a long history of targets isn't going to change uniformly and at an even pace.

3.9 One issue raised subsequently in the Guardian and from the PCS is the use of Personal Improvement Plans (PIPs) for individual advisers. PIPs seeking the proper applications of sanctions and conditionality are allowed and are being applied as per the guidance, and follow coaching, support and L&D.

3.10 PCS have presented me with a small handful of examples of objectives or PIPs which contain metrics and they have all been investigated. I have been clear, most notably in my letter of 22 March (ironically also leaked to the Guardian), no metrics can be used in PIPs for conditionality and sanctions and my District Managers have confirmed they understand that direction. There is an important difference though in setting an individual target, which is not acceptable and giving an individual an idea about what might be expected in their local labour market and for their size of caseload as an aid to judging whether the law is being properly applied. PIPs that make these references will be appropriate and do not constitute a local target or benchmark. That is a subtle difference that I suspect some advisers and some Managers may struggle with.

3.11 There is no doubt that applying conditionality and sanctions is not easy. And there will be some advisers who do not want to or do not see the merit of their application. The PCS has a long history of opposing sanctions as a point of principle and regularly campaign on this issue. For civil servants though the application of the law cannot be a matter of "pick 'n' mix" with regard to the bits that are easiest to deal with. So, where appropriate, Managers must take action to deal with failures of that sort or find ourselves not administering the law as intended by Parliament.

3.12 We have been accused of having league tables to drive activity. I found no evidence of national league tables in operation, nor is there a regional one for London. As I told the Public Accounts Committee when I gave evidence on 11 March 2013¹ we do keep management information. This is widely available internally (indeed it was in turn leaked to the Guardian on 28 March). It would be technically possible to configure this into a league table (a simple manipulation of excel) but as the leak showed it is not in a league table format.

3.13 I explained, and my managers have subsequently confirmed, the information is used to look for outliers and explain to sites where we have doubts about whether sanctions and conditionality are being properly applied.

3.14 One unintended consequence of the publicity about these issues has been to raise some additional health and safety questions in jobcentres. The application of sanctions and conditionality already generates a significant number of incidents and there is a strong likelihood that this media attention and comment in Parliament will serve to exacerbate these risks. I will monitor the situation closely and, if the volume of incidents increase, will consider what additional steps we can take to make our offices as safe as possible.

¹ see uncorrected evidence answer to Question 86 and following exchanges

Conclusions and Recommendations

4.1 We found no evidence of a secret national regime of targets or widespread secret imposition of local regimes to that effect. There is no national use of league tables. We found no evidence people are being wrongly sanctioned as a consequence. Indeed the accusation itself is founded on a misapprehension that advisers in jobcentres sanction people. As this report explained earlier advisers merely raise a doubt about conditionality. Independent Decision-Makers make the sanction decision and claimants have a right to an independent appeal with Her Majesty's Courts and Tribunal Service if they are unhappy with the decision.

4.2 After an extensive trawl through of the material provided to us or leaked to the press we have found a limited number of instances where a local manager has misinterpreted the instructions or has fallen back on target methodology in an effort to exercise their responsibilities to ensure the law is being properly applied. I believe that is happening because the cultural change underpinning the move away from a target-based approach to sanctions and conditionality is incomplete. We need to be vigilant and consistent to ensure junior managers continue to move away from legacy habits as we focus on building the freedom and flexibility approach. We are using these incidents and the recent press coverage to redouble our efforts. For the individual Managers concerned we are supporting them in tackling these issues with coaching and guidance. Where, despite these efforts, managers fall short of the standard required, disciplinary action will be considered.

4.3 The removal of the targets in 2011 was received by a minority of our advisers who don't like applying sanctions as a sign that they no longer needed to apply sanctions. (That in itself is a sign of how deeply the target-regime has become ingrained. If there isn't a target; it can't be required was the logic used). Indeed a small minority of our advisers are not yet convinced of the merits of applying sanctions and conditionality. That is not acceptable; civil servants cannot adopt a "pick 'n' mix" attitude to applying the rules. Sanctions, where appropriate, should be applied and are not a matter for individual discretion. So we will continue to work with them and their trade union representatives to help them understand that sanctions and conditionality are an important way we can help people back to work. Where PIPs prove necessary they should not contain numerical values to be hit but may contain a reference to what level might on average be expected. PIPs should be very clear about the consequences of an individual not fulfilling their personal responsibilities as a civil servant to administer the system in full.

4.5 There is more work for all of us to do in explaining externally the case for sanctions and conditionality. Whilst we know the public as a whole is strongly behind the reforms, there are those who remain to be convinced. Some of those commenting have not been to see a jobcentre work for a number of years. So we intend to renew our invitation to MPs to come and see us, and shadow advisers as they carry out this difficult task, to improve their understanding and allay any remaining fears.

4.6 Whilst there is already a regular National Statistics publication of data there is a time-lag in the series to allow for validation. Additionally this publication does not break down the data to site level. But given the level of public interest we should seek to publish in the next available statistical release in May a breakdown to Jobcentre level. Not only will this respond to the high level of interest from the public generated by the press stories but will minimise the costs of Freedom of Information requests and Parliamentary Questions.

4.7 Given the public interest in this issue I recommend we publish in full this report at the earliest opportunity. We should share copies with Liam Byrne, Stephen Timms, Stella Creasy and the Chairs of the Work and Pensions and Public Accounts Committees.

ANNEXES TO THE REPORT

Annex A – DM Letter to East London District

Annex B – Copy of leaked e-mail

Annex C – Investigation into specific allegations

East London District Manager
@JCP EastLondonDM

The logo for Jobcentreplus, featuring the text "jobcentreplus" in a white sans-serif font on a green rectangular background.

Department for
Work and Pensions

To: East London Managers

14 August 2012

Dear colleagues

Personal Improvement Plans (PIPs) and DMA Targets

Background

At the recent TU informal, our TU colleagues raised the subject of DMA targets and the appropriateness of Personal Improvement Plans (PIPs) in relation to achieving DMA targets. Following much discussion, where I restated the East London position, I agreed to write out to all managers to ensure we all have a clear understanding of the current position and we are applying it consistently across the District.

DMA SBR activity

You will all be aware of our Race for Jobs campaign, launched in January across the whole of LHC. One key element of the campaign includes ensuring our advisers are consistently applying the JSA conditionality regime. We deal with every case fairly on its own merits. Referrals for sanctions are all subject to independent decision-making, reconsideration and a formal appeal process.

I'm sure you all understand DMA is not a numbers game and that, as of April 2011, there have been no targets for you or your staff to meet. Simply put: as managers, you need to be assured that advisers are making the right judgments about whether a doubt arises or referral for sanction is appropriate, and that these judgments are being applied equally and fairly and in line with the legislation.

Our welfare system is based on a clear two-way contract. We will do everything we can to help people find work but equally we expect customers to be doing everything they can to find work as well. The sanctions regime is only to be used when people are failing to live up to their responsibilities and will be applied with discretion and commonsense. For example, it is unacceptable for customers to regularly fail to attend provision we have sent them to, unless there are very exceptional circumstances.

Use of PIPs

I would ask you to make clear to all of your people that the absence of a target does not mean that this area of our responsibilities is unimportant. Every office and every adviser should be ensuring that we fulfil the legislation where claimants do not meet their agreed responsibilities in their JSAG or don't undertake mandatory activity. We know that, at times, this means engaging in some difficult conversations with customers.

Where you are not getting the assurance that action is being taken equally and fairly, for example where levels of referral for DMA are below national or local averages, it is a legitimate discussion to have with staff to question why this is. If offices or advisers are wilfully choosing not to enact that legislation or are failing their customers by not making sure they attend mandatory provision designed to improve their prospects of finding work, then it may be appropriate for a PIP plan to be agreed and monitored. This is in line with DWP policy.

I appreciate that it is not always an easy discussion with the customer but it is important to remember that we have a role in ensuring fairness for the tax payer by ensuring people are fulfilling their obligations for the receipt of benefit. And ultimately, fulfilling their JSAG or attending our mandatory provision does help our customers better prepare themselves for the world of work, and in the long run will help them and their families be better off.

Summary

I hope that this letter sets out clearly the position regarding DMA targets and supports you in the discussions you may have with your staff. If you are still unclear about any aspect of this note, please get in touch with me, or your respective DOM, if you would like to have a conversation about this – we'd be happy to talk it through.

Best regards

East London District Manager

Annex B

Sent: 06 February 2013 16:13
Subject: DMA - SBR

Dear All,

SBR raises its ugly head again!

I attach the latest SBR figures. As you can see, Walthamstow are 95th in the league table - out of only 109.

Obviously our District Manager is not pleased; James Corbett is not pleased and neither is John. Because John is under pressure to improve our (Office) output and move up the league he has to apply some pressure downwards - that's us ATM's.

So, the bottom line...I have until the 15th Feb - along with the other ATM's to show an improvement. Then it's a PIP for me. Obviously if I am on a PIP to improve my Team's SBR referral rate I will not have a choice but to consider implementing PIPs for those individuals who are clearly not delivering SBR within the Team.

The fact we are delivering in other areas will not stand up as an excuse for not delivering in this area of work as SBR is a separate measure of achievement from Off Flow for the Office.

I refer you back to my e-mail from last week about the process for implementing a PIP and remind you that initially a PIP is not a formal action but a plan to highlight where improvements can be made and what action needs to be taken to support those.

John is looking for about 25 referrals per week.

We made 6 last week and so far this week have made 4. There is a shortfall here!

We talked about this yesterday and I really don't want to do this to death but.....it is the only area we need to make a significant improvement in as a Team and as an Office. You should consider every doubt - if you are unsure then please conference with me.

ASE - do not accept the same jobsearch every week

do not accept "I dropped off my CV" to shops like ASDA or Sainsbury's - they need to download! Ask for proof of registration to websites and agencies. Ask customers to show you what websites they use and bring them up on screen.

do not accept the same old excuses from people who we have worked with or given FSF to help remove barriers.

what are speakers of other languages doing to find work within their community - who is helping them, are we asking them to bring in an interpreter or using the big word?

Avail and Restricted Avail - listen for tell-tale phrases - "I pick up the kids", "I look after my neighbours children/my grandchildren" or just "I am busy" all of which suggest that the customer may not be fully available for work. Even cases where a parent shares custody can be considered if the arrangement is informal - not that I am suggesting you go there but you need to consider each case individually.

Is the customer placing restrictions on their availability - wants retail but can't work on Saturday or can't consider working in the west end or travelling to Stratford to work at Westfield? Are they studying and not willing to give up the course? Are they available for every day of the week - "I can't work on Monday's as I like to do my shopping and visit my Mum".

If someone FTA's you must consider their availability as well as the FTA. They are always late - is there an availability issue? Are they working as well...FRF action may also be required. For example, "I was late because I had to take the dog to the vet"; "I didn't come in yesterday because my husband was ill"; "I can't come in on Saturday because my girlfriend is visiting me" - these are all availability doubts and should be raised. If someone is going away from home but is not willing to return to take up employment - availability; not willing to leave details of how they can be contacted should a job become available - availability; not looking for work whilst away - possible availability or ASE or both!!!!

RE - "I don't want to work in Stratford so I am not applying for that job"; "I don't want to work in that Garage, I don't like the people there"! These are cases of RE. As are cases where the customer is trained and qualified for a particular job but refuses to consider or apply for a job in that field because of where the job is; the journey; the pay etc.

An easy win is a JSD. Set one, if the customer does not comply then action the direction!

Guys, we really need to up the game here. The 5% target is one thing, the fact we are seeing over 300 people a week and only submitting 6 of them for possible doubts is simply not quite credible.

Happy to discuss.

PCS Allegations of Sanctions Targets

Summary

In reviewing the evidence provided by PCS, individual colleagues from within the Directorate and the Guardian I have found no evidence to suggest that there is a systemic target regime being delivered throughout Work Services or indeed within any District. Some of these examples do not provide any evidence of wrong doing on our part, whereas others are historical examples which have already been addressed. There are however a small number of examples of where targets have been set by individual managers with local office colleagues and where this is the case, steps have now been taken to ensure that this is rectified.

The evidence suggests that these examples represent a failure on the part of individuals to correctly apply our policy with regard to ensuring that conditionality is applied appropriately and not symptomatic of a wider target regime.

Findings

1. My examination of each case is set out below in the order in which PCS presented them:

1.1 Example one was a zip file of the national management information (MI) scorecards produced by our performance reporting teams. This lists the sanction rates against several benefits and regimes down to District level. An example of which was also leaked to the Guardian. These reports are sorted geographically and are not ranked nor do they state any target, overtly or implied. As such I do not believe that our keeping this data or the way it is presented constitutes a league table or targets and is rather in keeping with my explanation of our MI to the PAC. I have taken no further action on this example.

1.2 Example two is a copy of minutes from a local communication and performance meeting held in an office in Thames Valley in which minimum expected levels are listed for sanctions referrals. This was also detailed by the Guardian. This contravenes our policy however the minutes were raised locally by PCS on 23 January 2013 and a response was issued on 12 February reaffirming the correct position and describing action taken to correct the situation. Upon reviewing the evidence, I feel that this was an error in communication by local managers which has now been resolved. Furthermore this case illustrates the ongoing benefit of good local TU relations in highlighting and resolving these issues quickly.

1.3 Example three is a photograph taken of a poster in a Derbyshire site which states numerically a minimum level of referrals which the office should be looking to make. This was also detailed by the Guardian. Upon investigation, this chart was intended by local management to ensure

consistency both across their Adviser teams and with other sites with similar labour markets. The poster was removed in January 2013. There is no evidence of any formal target setting here but there was clearly an expectation set based on numerical averages which is against policy. Again, this issue was raised locally by PCS and resolved at the time. Local management have been reminded of the sensitivities herein and how to correctly ensure that conditionality is applied appropriately.

1.4 Example four is a copy of the Malvern Newsletter which was also passed to the Guardian. The newsletter makes reference to the site being one of the worst performing sites in the District and that should this not improve, special measures may be invoked. PCS have drawn particular reference to a statement that colleagues may be put on Performance Improvement Plans (PIPs). Upon investigation, this newsletter was compiled by a non-management colleague following a verbal discussion with the office manager. The office manager is clear that no targets are, nor have been, in place and that this discussion centred on ensuring colleagues were applying sanctions correctly and wherever appropriate. The interpretation by the colleague writing this newsletter suggests that, though no targets were set, pressure to improve referral rates was inferred. As such the communication explaining this could have been better. Local management have been reminded of how to correctly ensure that conditionality is applied appropriately.

1.5 Example five is an account from a local PCS Representative of how sanctions activity is being driven in a Birmingham Jobcentre. The account claims that an expectation of referring 8.7% of the site's live load was given to Advisers but also states that when challenged on this by PCS that management have reiterated that there are no DMA targets. This account is itself third hand conjecture and I have not been able to secure any further evidence to confirm it. The District management team maintain that no targets are in place but to ensure compliance, again, local management have been reminded of how to correctly ensure that conditionality is applied appropriately.

There is a second issue with this example where the account states that a manager issuing PIPs has been pressured to do so by her own line manager. There is no reference to targets being mentioned. Without specific details of the colleagues in question it is not possible to ascertain exactly what has transpired however it is right and in keeping with DWP policy that countersigning officers should have a view on the performance of colleagues within their line management chain. Where continued poor performance is identified and is not being tackled by a manager, it is again right that their manager should in turn tackle them on what is a failure to carry out their own obligations.

1.6 Example six is an account from a local PCS representative of two PIPs issued in July 2012 in East London. The account claims that numerical figures were set for improvement action in line with the office profile. There are two separate issues here, the imposition of numerical improvement targets, which was also reported in the Guardian, and the mention of an office profile. Of the former, there has been much debate over the issue of numerical targets on

PIPs and at the time of this account the policy on this issue was not clear. There was an argument that to evidence clear improvement which would stand up to external scrutiny (at employment tribunal for example), typical volumes for the site/team should be applied. We have since amended this with a clear steer that numerical values should not be included in PIPs to avoid the potential for encouraging perverse behaviour. This example then does highlight a historical issue however steps have already been taken to resolve this.

On the latter issue, no evidence has been found to suggest that Dagenham was operating a target regime. The office profile referred to was an example figure which local managers came to by comparing site sanction rates against historic performance. As part of the extensive work which East London District are taking forward in light of the wider sanctions issue, all managers at Dagenham have been reminded of how to correctly ensure conditionality is applied appropriately.

1.7 Example seven consists of excerpts from three e-mails sent by local office managers in Cumbria and Lancashire District in May 2012, the case was one of those raised by PCS with Ruth Owen last year. These e-mails do refer to benchmarks being applied but are also specific in that referrals should only be made where appropriate. Indeed the covering letter from the colleague raising these concerns is explicit in that targets have not been set. The content of the e-mails, in part, does not reflect the current policy and is therefore unacceptable however the matter was raised locally by PCS in May 2012 and corrective action was taken by the District Manager at the time. I have found no evidence to suggest that this issue persists and have taken no further action.

1.8 Example eight consists of copies of PIPs issued to two colleagues for not applying conditionality appropriately; and copies of letters inviting them to formal performance management meetings. PCS have stated many times that they feel our applying PIPs is evidence of target setting however I found nothing in the content of this PIP which could be construed as such. No targets were set or minimum expectation referenced; only that the colleague's referral rate was low and that they are expected to test conditionality at every interview. The invitation letters were in keeping with DWP policy and do not mention sanction referral rates, only work performance. As such this example does not support the assertion that it constitutes a target.

1.9 Example nine is of an account given by a colleague of how he came to be issued with a PIP and a copy of this. The account suggests that inappropriate explanations were given for why this colleague was placed on a PIP and that it was more to match volumes of PIPs issued in other Districts. I have asked the District manager to take this up with the manager concerned. This is a separate capability issue though. The District has provided assurance that this is not a policy they endorse and nothing in the account suggests that targets are in place.

In reviewing the detail of the PIP, no numerical improvement target has been set or implied. The PIP does state that current activity is zero referrals made for the last month but this is an objective review of what has previously been

delivered and although it could be better put, it is not indicative of a target regime.

1.10 Example 10 is an excerpt from an e-mail sent by a cluster manager in which flight-paths and targets are mentioned. This was also detailed by the Guardian. The detail and tone of the e-mail clearly contravenes our policy. This has been raised with the District Manager who agrees that the wording of the e-mail was inappropriate and has taken action with the individual to remedy this. He has also reminded the wider District management team of how the policy should be managed. He is clear though, that this was the interpretation of how to ensure appropriate conditionality testing by an individual manager and that there are no District imposed targets for sanction referrals.

1.11 Example 11 consists of copies of three PIPs which were issued to colleagues in February and March 2012. Though these PIPs seek to secure general performance improvements, they do include specific targets for DMA activity. The details of the colleagues concerned have been omitted in the evidence provided to us and without them it is not possible to track down the offices and investigate further however these PIPs again pre-date our clear steer on removing these figures from such agreements. Of greater concern is that these volumes have been arrived at by breaking down a percentage of live load which could suggest that a typical referral rate is being used as an expectation.

1.12 Example 12 is a copy of a letter issued by the Derbyshire District Manager to his staff. PCS have highlighted that it references PIPs being used to address performance issues. The letter concerns a drive within Derbyshire to improve their performance in moving claimants in to work. At no point is DMA mentioned in the letter and so it does not support the assertion that there are targets being applied for sanctions referrals.

1.13 Example 13 is an e-mail from an Employer and Partnership Manager which states that from 14.01.13, anyone {claimant} claiming to have found no jobs when job searching should be referred for ASE. This does not reflect current policy and is wrong. Though this is an inappropriate steer for colleagues in making referrals it does not in itself constitute the setting of targets, nor have I found any evidence to suggest that this steer was implemented simply to increase referral rates. The matter has been raised with the District and the colleague reminded of correct protocol.

2. In addition to the evidence provided by PCS we have also received other examples direct from colleagues within the Directorate where they have concerns about how Adviser obligations on conditionality are enforced.

2.1 We received evidence that targets were in place at a Jobcentre in the North West. Upon investigation it transpired that the site manager had agreed upon a 6% referral target in colleagues' Key Work Objectives (KWOs) for the 2012/13 performance year. This matter has been raised with the manager concerned as well as the District management team who took steps to

remove these targets immediately as well as reiterate the correct protocol for managing the application of conditionality. No evidence has been found to suggest that this issue extends beyond this one site.

2.2 Two colleagues from a site in East London wrote to me suggesting that numerical expectations were in place for sanction referrals. This site was covered by the investigation which London and the Home Counties carried out and I also visited this site personally. Though no evidence of target setting was uncovered by either event, managers on site have been reminded of the need to correctly communicate their appropriate challenge of colleagues' application of conditionality.

3. Finally there was one further allegation made by the Guardian of sites opening on weekends to apply "botherability" to claimants. In investigating this allegation it came to pass that the incidents in question were in Gloucestershire, West of England District. Neither reference to "botherability" nor anything which might imply it has been found. The weekend opening was authorised by the District Manager to increase the time available to Advisers in delivering a wide range of services to claimants in helping them to find employment and was necessary to manage seasonal peak workloads.