

# JSA Sanctions Early Warning Trial Evaluation – Final report

May 2018

## **DWP ad hoc research report no. 63**

A report of research carried out by the Department for Work and Pensions.

© Crown copyright 2018.

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

This document/publication is also available on our website at:  
<https://www.gov.uk/government/collections/research-reports>

If you would like to know more about DWP research, please email:  
[Socialresearch@dwp.gsi.gov.uk](mailto:Socialresearch@dwp.gsi.gov.uk)

First published May 2018.

ISBN 978-1-78659-029-9

Views expressed in this report are not necessarily those of the Department for Work and Pensions or any other Government Department.

# Executive Summary

Entitlement to claim out of work benefits (Jobseeker's Allowance) rests on Claimants meeting certain conditions, typically looking for work, and being available for work. These conditions are usually checked once a fortnight, immediately ahead of the next benefit payment.

Where Jobcentre Plus (JCP) Work Coaches, or Work Programme Providers (WPP), have doubts that a condition has been met, they can make a Sanctions referral to a Labour Market Decision Maker (LMDM). The LMDM must consider whether the Claimant has evidence that demonstrates a good reason for not meeting conditions of benefit entitlement.

A recent Trial with 6,500 jobseekers in Scotland extended the time available for the Claimant to provide evidence and tested what the effect of this was. In the Trial a Sanctions Warning Letter (SWL) was sent that notified the Claimant that a Sanction would be imposed within 14 days, unless the Claimant provided evidence (or further evidence) that demonstrated a good reason for not meeting the conditions of benefit entitlement.

The key quantitative findings of the Trial were:

- 13 per cent did respond to the SWL during the additional 14 days and provided evidence: in around half of these cases the evidence provided did not provide a good reason for the LMDM to change their decision and Sanctions were applied.
- There are some indications that the Trial has had an impact on reducing the proportion of cases where a Decision Review (DR) or Mandatory Reconsideration (MR) was carried out. However, as these findings are based on low volumes, they should be handled with care. The findings are purely indicative due to the uncertainty associated with low volumes.
- In the Trial, the vast majority of Claimants did not provide evidence within the additional 14 day period. Due to data limitations, it has not been possible to segment the data, as was suggested in the interim report, to investigate if a subgroup of Claimants reacted differently, for example by high/low Sanction level. There are some indications that the Trial may have impacted DR and MR decisions, but are based on low volumes. Due to this any decision regarding changes to the current system as a result of these Trial findings would need to consider the potential impact to a large number of Claimants who may not benefit from the Trial process.

There will be an additional report, which will be published alongside this report, which will cover the qualitative findings of the Trial.

# Contents

- Executive Summary ..... 3
- Contents ..... 4
- List of figures ..... 5
- List of tables ..... 6
  - 1. Background ..... 7
  - 2. The current and Trial processes ..... 8
  - 3. Evaluation Approach ..... 9
    - Timescales ..... 9
    - Location ..... 9
    - Methodology..... 10
  - 4. Trial Findings ..... 11
    - Criteria 1: Increase the volume/proportion of Claimants that provide reasons for non-compliance, prior to the reconsideration stage..... 12
    - Criteria 2: Reduce the volume/proportion of Sanctioned cases that request a Mandatory Reconsideration ..... 18
  - 5. Conclusions ..... 20
- Glossary of terms ..... 22
- List of abbreviations..... 23
- Appendix A - Sanctions Warning Letter..... 24
- Appendix B - Process flow charts ..... 27

# List of figures

Figure 4.1: Proportion of each cohort week that provided evidence between the initial decision and the 14 day decision..... 13

Figure 4.2: Time between initial decision and the evidence being received ..... 14

Figure 4.3: Time between 14 day decision and new evidence being received ..... 16

Figure 4.4: The proportion of Sanctioned cases where a DR or MR was carried out over time..... 19

# List of tables

Table 4.1: Outcome of the 14 day decision when evidence was provided within the 14 days 12

Table 4.2: Percentage split of evidence provided after the initial decision by channel 15

Table 4.3: Percentage of Sanctioned cases where a DR or MR was carried out; before and during the Trial 18

# 1. Background

- 1.1 Entitlement to claim out of work benefits (Jobseeker's Allowance) rests on Claimants meeting certain conditions, typically looking for work and being available for work. These conditions are usually checked once a fortnight, immediately ahead of the next benefit payment.
- 1.2 In October 2015, the Department for Work and Pensions (DWP) announced that it would be Trialling a new process for Jobseeker's Allowance (JSA) Sanctions in response to the Work and Pensions Select Committee's recommendations to review JSA Sanctions processes.
- 1.3 The Trial would test an approach to providing an advance warning of a potential Sanction, and in that warning period, extend the time during which Claimants can gather and submit their evidence of good reason, in order to consider whether this approach will have a positive effect on:
  - The volume of Claimants that provide reasons for non-compliance
  - The volume of Sanctioned cases that request a Mandatory Reconsideration (MR)
  - The service received by Claimants
  - Staff views of the new process.
- 1.4 It was assumed that during this two week period vulnerable Claimants would have the opportunity to gather relevant evidence to support their case. It would also allow them to seek support from an advocate or other party.
- 1.5 The interim evaluation report was published in December 2016. This report is the final evaluation report and summarises the quantitative evidence collected during the Trial. An additional report is published alongside this to cover the qualitative findings of the Trial.

## 2. The current and Trial processes

- 2.1 The Trial covered both low and high level JSA Sanctions but intermediate Sanctions were not included as this would have required legislation to have been changed which would have delayed the Trial (for more information on the levels of Sanction, see the Glossary of terms).
- 2.2 Under the current process, when Jobcentre Plus (JCP) Work Coaches or Work Programme Providers (WPP) have a doubt about a Claimant's compliance to the conditions that entitle them to JSA, they can make a Sanction referral.
- 2.3 For JCP cases, a Work Coach will attempt to discuss the doubt with the Claimant to seek an explanation of why they have failed to comply. If the Work Coaches do not consider this explanation to be good reason they will refer the case, including the Claimant's evidence (if provided), to a Labour Market Decision Maker (LMDM).
- 2.4 If the Claimant has not been previously contacted (for all WPP cases, and some JCP cases) about the doubt, the LMDM will attempt to do so before considering the evidence and making a decision about whether or not a benefit Sanction is appropriate. If a Sanction is to be applied, the LMDM issues a notification letter to the Claimant explaining their decision and the subsequent benefit Sanction will then be applied on the next available payment date.
- 2.5 During the Trial, instead of the LMDM sending the notification letter and applying the Sanction, the Claimant was instead sent an advance warning in the form of a Sanction Warning Letter (SWL) (See Appendix A - Sanctions Warning Letter) and given an additional 14 days to submit further/ new evidence of good reason. At the end of the 14 days the LMDM considered all the evidence received and made a decision about whether to apply the Sanction. At this point if a Sanction was to be applied (as in the original process), the LMDM issued a notification letter and any subsequent benefit Sanction was applied on the next available payment date. The Business As Usual (BAU) processes for MR's and Appeals then applied.
- 2.6 'Appendix B - Process flow charts' covers the differences between the current process and Trial process in greater detail and in a flow diagram format.



## 3. Evaluation Approach

- 3.1 In order to assess the effectiveness of the Trial, four criteria were defined before the Trial began:
- 1) Increase the volume/proportion of Claimants that provide reasons for non-compliance, prior to the reconsideration stage
  - 2) Reduce the volume/proportion of Sanctioned cases that request a MR
  - 3) Claimants receive an improved service that represents value for money
  - 4) Sanctions Decision Makers deem the new process more effective than the current one.
- 3.2 The first two criteria will be explored in greater detail within the Trial Findings section of this report.
- 3.3 The qualitative research of the Trial will be published in an additional report, which will be published alongside this report, and will address criteria 3 and 4.

### Timescales

- 3.4 The timetable for the Trial was:
- March 2016 – the Trial began
  - September 2016 – the Trial finished for new referrals but continued for existing referral cases that were already in the process
  - October/November 2016 – all remaining referral cases exited the process
  - December 2016 – the interim evaluation report was published
  - May 2018 – the final evaluation report and the findings from the qualitative research was published.

### Location

- 3.5 The Trial consisted of three treatment districts in Scotland (East and South-East Scotland; Glasgow, Lanarkshire and East Dunbartonshire; West of Scotland). The North of Scotland district was monitored as a control.
- 3.6 All JCP Sanction referrals for these districts were initially handled by Hanley Benefit Centre (BC) LMDMs. However towards the end of the Trial, due to Operational reorganisation, all of the Trial work from Hanley was moved to LMDMs operating in Birkenhead BC.
- 3.7 The WPP Sanction referrals were initially handled by Sunderland and Merthyr BC LMDMs. However, as with the JCP referrals, partway through the Trial, due to Operational reorganisation, all of the Trial work from Sunderland was moved to Birkenhead BC.
- 3.8 The whole of Scotland was chosen because it offered a discrete area which could host both the treatment and possible control sites, as well as having the capacity to run the Trial in the relevant LMDM offices.

- 3.9 It was also chosen for reasons of Operational practicality and efficiency as the Senior Business Sponsor (SBS) was, at the time, the Work Services Director for Scotland and the national Operations lead on Sanctions delivery.
- 3.10 Using historical Sanctions referrals data, it was estimated that these sites would see approximately 6,000 cases during the 6 months of the Trial when taking into account that intermediate Sanction referrals would not be part of the Trial.

## **Methodology**

- 3.11 Throughout the Trial we have drawn on a number of quantitative data sources including:
- Standard and bespoke Management Information (MI) reports
  - DWP administrative data
  - Individual level data from bespoke Excel based data collection tools.
- 3.12 The quantitative part of the Trial ran throughout the Trial period and captured data from the treatment regions.
- 3.13 Where possible and appropriate we established a robust baseline from which we could draw comparisons to inform the evaluation. In some cases this was using data prior to the Trial and in others using data during the Trial which represented the steps from BAU. It is important to note that as usual, where they were identified, Operational improvements continued to take place in BAU as the Trial was taking place. Additionally bespoke data was not captured from the control sites limiting the comparisons that could be made here.
- 3.14 Research has also been conducted to understand the impact of changes on Claimants and staff, and to obtain their views on the new process. This, as previously mentioned, accompanies this report.

## 4. Trial Findings

- 4.1 The Trial was not specifically designed to provide robust estimates of costs and savings: however there are some assumptions which can be drawn. The business estimates that the additional cost of implementing the Trial would be around £48 per case.
- 4.2 This is based on several factors:
- sending the SWL costs approximately £1 per case
  - the 14 day decision process (the LMDM considers all the evidence gathered at that time and makes a decision) costs approximately £47 per case.
- 4.3 Nationally this would equate to roughly £4.5 million in DEL (based on the number of Sanction decisions outcomes made in the year July 2016 to June 2017).
- 4.4 In terms of savings this is less easy to estimate. There are some indications from examining the proportion of Sanctioned cases where a Decision Review (DR) or MR was carried out that the Trial had some impact on reducing this proportion. This suggests that during the Trial these types of decisions were less frequent, so Claimants were less likely to require this stage of the Sanctions process. This might be due to the Trial assisting the Claimants in supplying evidence before a decision is made. However, this information is based on low volumes therefore these findings must be treated with care. It is therefore unclear if there is a cost saving to the business for these types of decisions.
- 4.5 The DEL figures presented above represent an upper estimate. This is because the potential savings associated with the Trial process cannot be robustly estimated to give a reduced figure.
- 4.6 One of the benefits of the Trial process for the Claimant was that their JSA payments continued during the additional 14 days until the business reached a decision on their case. In the BAU process this decision would have been made much earlier than this, and payments stopped, meaning any delayed evidence which provides good reason would trigger a payment reimbursement.
- 4.7 It is possible that there could be an additional AME cost, as the Sanction was being applied 14 days later than BAU. This has not been estimated. The Trial data did not record specific information around the Claimants' Sanctions, for example, the level of the Sanction, the Sanction duration, or the amount of JSA in receipt. As such, a robust costing around this have not been provided.

**Criteria 1: Increase the volume/proportion of Claimants that provide reasons for non-compliance, prior to the reconsideration stage**

**Volume of cases where evidence was provided within the additional 14 days**

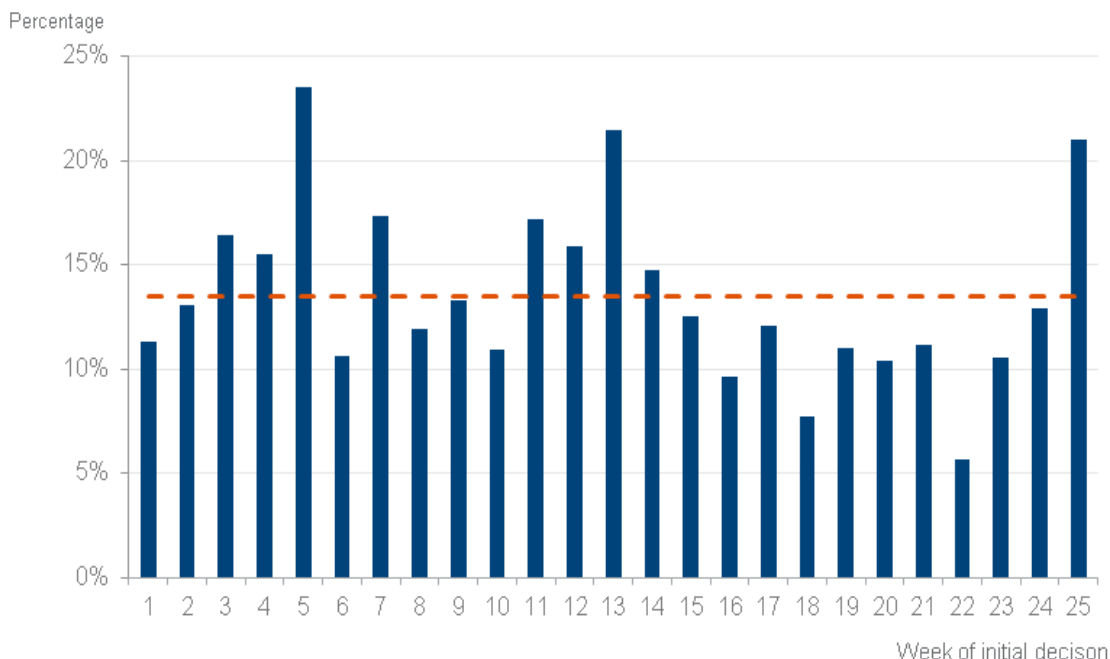
- 4.8 Evidence in this section has been drawn from the Trial data collection tool with some Operational Performance MI used where appropriate.
- 4.9 During the Trial around 13 per cent of Claimants who were sent the SWL provided evidence during the additional 14 days. This would initially suggest that there has been an increase in the proportion of Claimants that provide reasons for non-compliance.
- 4.10 However, for around half of these cases (around six per cent of all cases that were sent a SWL) the evidence still did not provide a good reason, so a Sanction was applied.
- 4.11 For the remaining half (around seven per cent of all cases that were sent a SWL) the evidence did provide good reason and a Sanction was not applied. In these cases the decision was either to allow the case (where the LMDM believes there is a good reason to support the Claimants’ non-compliance) or to cancel the case (where the LMDM becomes aware there was no entitlement on the date of transgression or there was some other failing in the process).
- 4.12 It is important to note that it was not possible to determine if any evidence was submitted before the initial decision was made, as this data was not recorded. Thus, if a Claimant did not provide evidence during the additional 14 days it is not to say they did not provide any evidence before the initial decision at the doubt referral stage.

**Table 4.1: Outcome of the 14 day decision when evidence was provided within the 14 days**

Percentage of cases where evidence was provided	Outcome of 14 day decision		
	Sanction	Allow	Cancel
13%	47%	50%	3%

4.13 Figure 4.1 examines the proportion of Claimants in each cohort week (the week the initial decision was made) whom were sent the SWL and provided evidence between the initial decision and the 14 day decision. This proportion seems to be largely consistent for the duration of the Trial, and does not deviate considerably from the 13 per cent average over all the cohort weeks. This would suggest that this increase in the proportion of Claimants that provided reasons for non-compliance was relatively stable over the period of the Trial.

**Figure 4.1: Proportion of each cohort week that provided evidence between the initial decision and the 14 day decision**



**When evidence was provided within the additional 14 days**

4.14 The 13 per cent of cases where a Claimant did provide evidence might be due to:

- The Claimant receiving more time (an additional 14 days)
- The SWL prompting them to act
- A combination of these two factors, or something else.

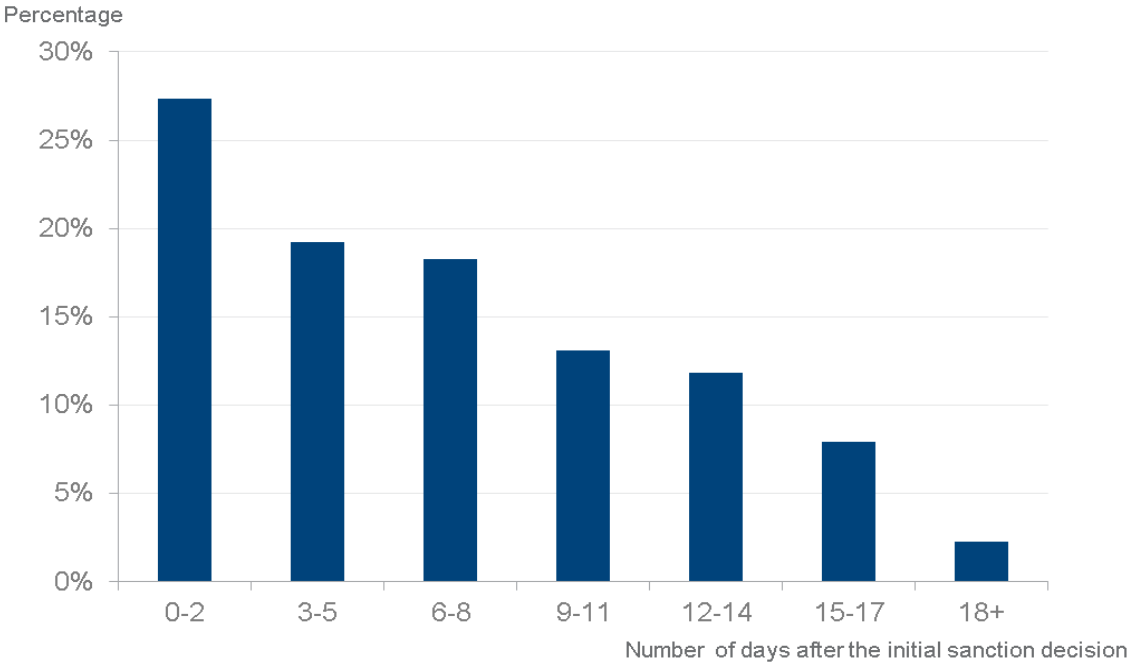
4.15 One of the aims of the qualitative part of this Trial was to try to establish from interviews with Claimants whether it was the additional 14 days and/or the sending of the SWL that prompted the Claimant to provide the evidence. The results of the qualitative research are due to published in an additional report. However, the research showed that most Claimants did not recall receiving the SWL and so we still cannot be sure what prompted the action to submit evidence.

4.16 Some insight has been gained into this by examining how long it took for evidence to arrive from the Claimants after the initial decision had been made and the SWL sent.

4.17 Figure 4.2 shows that over a quarter of evidence arrived within two days of the 14 day period during which it was very unlikely the SWL would have had time to be delivered to the Claimant and for the Department to have received a response. Therefore it is reasonable to assume this evidence was a result of allowing the Claimant more time (an additional 14 days) and not a response to the SWL.

- 4.18 The direct cause of evidence arriving after the first two days is harder to ascertain and could be as a result of either of the factors mentioned above, or something else.
- 4.19 It was not always possible to make a decision on a set number of days after the initial decision and the SWL were sent. The date a decision was made could differ for a variety of reasons, for example, the Claimant’s signing on date, the Claimants payment date, or something else. This meant that, for some cases, evidence arrived after the 14 day period had elapsed but, as the decision had not been made at that point, was considered by the LMDM when they examined the case.
- 4.20 In other cases where evidence arrived after the 14 days had elapsed, the decision had been made at that point. In these circumstances the evidence would trigger a DR (please see section ‘Volume of cases where evidence was provided after the additional 14 days’ for more information on these types cases).

**Figure 4.2: Time between initial decision and the evidence being received**



- 4.21 Due to the difficulties around teasing out the direct cause of evidence being provided it cannot be said for certain how many Claimants within the 13 per cent may have provided their reasons for non-compliance regardless of the Trial process. Thus, it is unclear how much of this increase in the proportion of Claimants that provide reasons for non-compliance was directly caused by the Trial, rather than the BAU, process.
- 4.22 However, for this 13 per cent, the Trial process does allow for the evidence submitted to form a part of the 14 day decision, rather than trigger a DR after a Sanction decision has been imposed (as would happen in the BAU process). It

was therefore still of benefit to these individuals to have their evidence considered at an earlier stage in the Sanctions process since if the evidence resulted in a Sanction not being imposed they didn't have their money stopped and reinstated.

**How evidence was provided within the additional 14 days**

- 4.23 A Claimant can make contact with the Department to provide evidence in a variety of ways;
  - The Claimant can make direct telephone contact with the LMDM
  - The Claimant can make contact via the Contact Centre (CC) or JCP (this information is then made available to the LMDM)
  - The Claimant can send in evidence by post to the LMDM.
- 4.24 Table 4.2 shows that the majority of evidence provided after the initial decision was by mail (68 per cent). The least used contact channel was direct phone contact with the LMDMs through which only eight per cent of evidence was received after the initial decision.
- 4.25 It is also apparent that for cases where evidence is received via the telephone or CC/JCP channels that roughly one-third resulted in a decision to apply a Sanction compared to approximately half of cases where the evidence was provided via mail. This could be due to a variety of reasons which cannot be investigated here, including; the type of evidence received, the quality of evidence provided, or something else.
- 4.26 The Trial has therefore demonstrated that most of the evidence provided, in the 14 days, by Claimants was sent via mail, however within the Trial evidence received via other channels appeared to result in less Sanction outcomes.

**Table 4.2: Percentage split of evidence provided after the initial decision by channel**

	Percentage of the cases where evidence was provided	Outcome of 14 day decision		
		Sanction	Allow	Cancel
Phone	8%	34%	66%	0%
CC / JCP	24%	32%	63%	5%
Mail	68%	55%	41%	3%

**Volume of cases where evidence was provided after the additional 14 days**

- 4.27 Whilst the Trial focussed on evidence provided prior to the 14 day decision (and the SWL) for completeness we have investigated evidence which arrived after this decision. Within the Trial, of those cases where a Sanction was

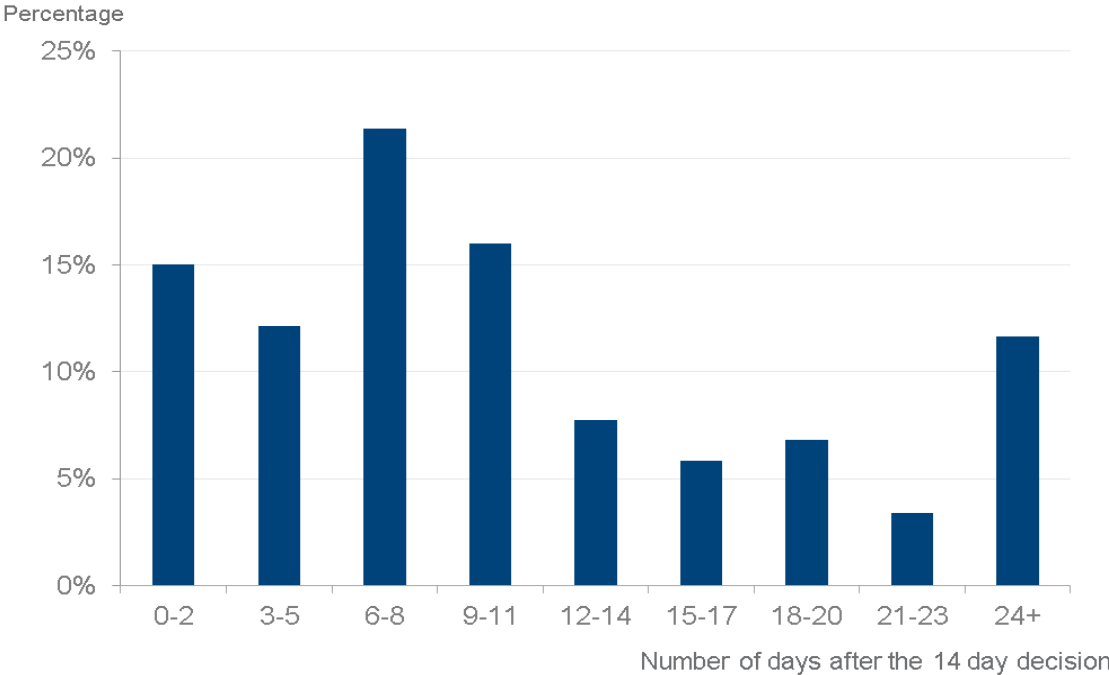
imposed at the 14 day decision stage, a small number of Claimants (approximately 200) went on to provide evidence after the 14 day limit, which then triggered the Sanction decision to be reviewed as would happen in BAU.

- Of these cases, eight per cent had already provided evidence during the additional 14 days, meaning that this evidence was at least the second piece of evidence provided to the Department
- The remaining 92 per cent of these cases had not already provided evidence during the additional 14 days, meaning that this evidence might be the first piece of evidence provided to the Department.

4.28 Within the current and Trial processes, if a Claimant provides new evidence after being notified of the Sanction decision (as opposed to the initial notification of the likelihood of a Sanction in the form of the SWL), a LMDM will review the decision in light of the new evidence. This would mean that for a Claimant in the Trial who provided evidence after the 14 days limit and Sanction decision made, their case would be reviewed in light of this new evidence.

4.29 Looking at this in more detail Figure 4.3 below shows a breakdown of the approximately 200 cases where a Claimant provided evidence after the 14 days. Around 15 per cent of this evidence arrived within two days of that 14 day decision.

**Figure 4.3: Time between 14 day decision and new evidence being received**



4.30 Claimants are notified of a Sanction decision by a decision letter which is mailed to the Claimant. They were therefore unlikely to have received this notification, responded to it with evidence and for the Department to have



received this evidence within two days of the Sanction decision being made. It is reasonable to assume that evidence which arrived within two days of a Sanction decision is unlikely to be a behavioural response to the Sanction decision and notification letter. It is more probable that this evidence was likely to arrive regardless of the Sanction decision as a delayed response to the initial SWL or something else.

- 4.31 The evidence which arrived after the second day could be a delayed response to the initial SWL, a behavioural response to the Sanction decision and notification letter, or something else. With the data available it is not possible to know which, if any, of the reasons highlighted above contributed to the Claimant sending in evidence after the Sanction decision had been made.
- 4.32 It is important to note that Figure 4.3 refers to the number of days after the 14 day decision was made (and not the number of days after the 14<sup>th</sup> day since the initial decision) as a 14 day decision could be made on any day on or after the 14 day period had elapsed.

## Criteria 2: Reduce the volume/proportion of Sanctioned cases that request a Mandatory Reconsideration

### Proportion of cases which request a MR

- 4.33 DR’s are triggered by the arrival of evidence after a decision has been made, which prompts DWP to look at the decision again. MR’s are triggered when the Claimant asks us to reconsider the decision, which, as with a DR, prompts DWP to look at the decision again. As these two decision types have a very similar impact on the Claimant (both processes occur after a decision has been made, and prompt DWP to examine the decision again) the analysis of the impact of the Trial has considered both of these decision types in conjunction.
- 4.34 During the Trial it was not possible to record individual level information on MR’s on a data capture tool, therefore DWP administrative data has been used. This analysis examined the proportion of cases where a DR or MR was carried out in the Trial regions for high and low Sanction decisions.
- 4.35 The analysis examined two cohorts of individuals; firstly those who had a Sanction decision made in the six months leading up to the Trial (from October 2015 to March/ April 2016), and second those who had a Sanction decision made during the Trial period (from March/ April 2016 to October 2016).
- 4.36 Further, due to the data constraints, it was not possible to distinguish exact Trial and non-Trial cases within the data; therefore some cases which were non-Trial cases may have been included in the Trial cases calculations. Please also note that the volumes from which the below proportions have been calculated are low, thus any conclusions drawn from this data should be treated with caution.
- 4.37 As can be seen in Table 4.3 below, there is some evidence to suggest the Trial may have had an impact on the proportion of Sanctioned cases where a DR or MR was carried out. In the six months before the start of the Trial 33 per cent of Sanctioned cases had a DR or MR decision. During the Trial this reduced to 19 per cent of Sanctioned cases.

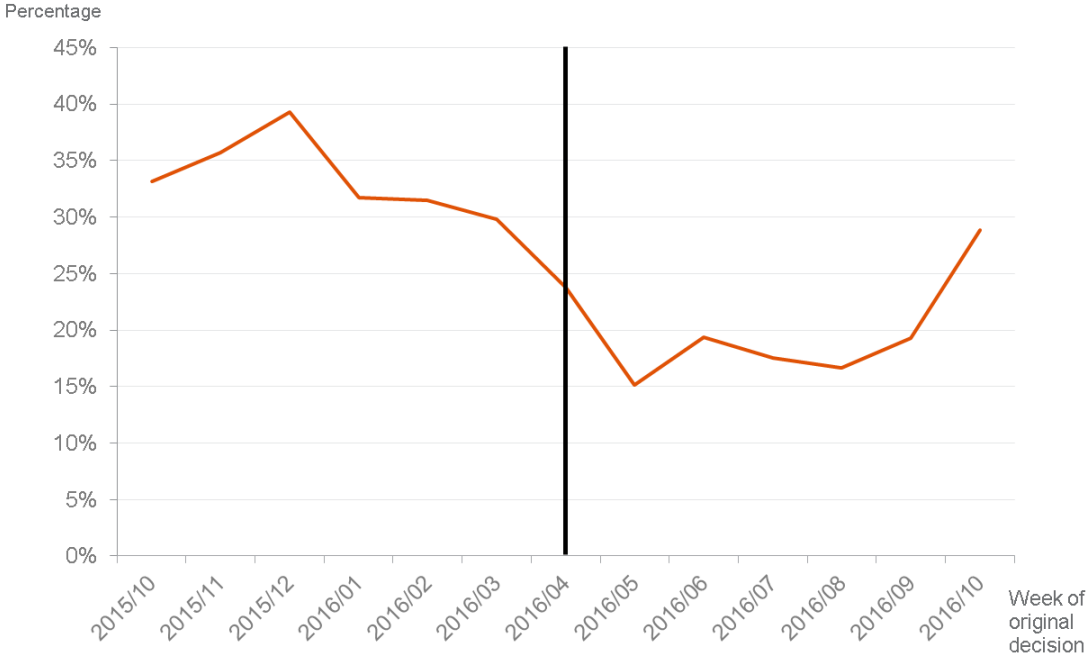
**Table 4.3: Percentage of Sanctioned cases where a DR or MR was carried out; before and during the Trial**

	Trial districts
<b>Before the Trial</b>	33%
<b>During the Trial</b>	19%

- 4.38 Figure 4.4 examines the proportion of Sanctioned cases where a DR or MR was carried out over time. Each month represented the month in which the Sanction decision was made, and not the month where the DR or MR occurred. The trend of this proportion over time is indicative that the Trial has had an impact on reducing this proportion. During the Trial months the general trend of

the line reduces to below the 20 per cent mark, whilst in non-Trial months this proportion is usually higher than the 25 per cent mark.

**Figure 4.4: The proportion of Sanctioned cases where a DR or MR was carried out over time**



4.39 To conclude, there are some indications from examining the proportion of Sanctioned cases where a DR or MR was carried out that the Trial has had some impact on reducing this proportion. This suggests that during the Trial these types of decisions were less frequent, thus, Claimants were less likely to require this stage of the Sanctions process. This might be due to the Trial assisting the Claimants in supplying evidence before a decision is made. However, the proportions presented above are based on low volumes therefore these findings must be treated with care.

4.40 This would imply a positive outcome for the Trial, as if evidence providing good reason is received prior to the 14 day decision then the review process is carried out internally however if the evidence is received and reviewed after the Sanction decision (as in BAU) this triggers a DR or MR, by this point the payments have likely ceased for the Claimant as the Sanction has been imposed.

## 5. Conclusions

5.1 This final report has investigated the results for two of the four criteria. The full results of the qualitative evaluation of the Trial will be published in an additional report alongside this one, however key conclusions relating to the other two criteria have been drawn out below.

### **Criteria 1: Increase the volume/proportion of Claimants that provide reasons for non-compliance, prior to the reconsideration stage**

5.2 In the Trial, the vast majority of Claimants did not provide evidence within the additional 14 day period. Due to this low volume of evidence submitted the Trial did not appear to have a substantial positive impact on Criteria 1. Additionally there are insufficient findings to understand the prompts for those who did submit evidence, this could have been due to the Trial process, or something else.

5.3 It was hypothesised in the interim report that there may be a subset of Claimants for whom the additional 14 days made a difference for, or a subset where it made little or no difference. However, due to data limitations, it has not been possible to segment the data in this way; thus, no such subsets have been identified.

### **Criteria 2: Reduce the volume/proportion of Sanctioned cases that request a Mandatory Reconsideration**

5.4 There are some indications that the Trial has had an impact on reducing the proportion of cases where a DR or MR was carried out. However, as these findings are based on low volumes, this should be handled with care.

### **Criteria 3: Claimants receive an improved service that represents value for money**

5.5 The qualitative evaluation concluded that given the additional burden placed on Departmental resources and the marginal gains achieved, the Trial did not appear to be an effective use of the Department's resource.

### **Criteria 4: Sanctions Decision Makers deem the new process more effective than the current one**

5.6 Results from the qualitative evaluation showed that there was support (from staff) for the intentions underpinning the Trial, with the additional time provided to Claimants to submit evidence of good reason regarded as (in theory) beneficial to all.

5.7 However, evidence from interviews with Work Coaches, and LMDMs suggests that in practice the JSA Sanctions Early Warning Trial appeared to make little difference to the ultimate outcomes that Claimants achieved. Indeed, the overriding sentiment among LMDMs was that the Trial had made little impact on the quantity or quality of evidence submitted in response to the SWL and as such little overall impact on the outcome of the decision making process.

## **Summary**

- 5.8 There was limited evidence of potential benefits from the Trial process as implemented. Although some Claimants submitted further evidence, which may have factored into the Sanction decision, the analysis presented in this report suggests that this occurred in a limited number of cases. Considering this, alongside the other findings summarised above, there was no evidence from this Trial to suggest that the process, as Trialled, provides an improved service across the Claimant base or value for money for the Department.

## Glossary of terms

**Sanction:** the reduction of the Claimant's benefit for a specified period of time due to a Claimant's non-compliance with their Claimant commitment or specified work-related mandated activity. Sanctions can be low, intermediate or high level.

**Allowance:** the LMDM believes there is good reason to support the Claimants' non-compliance and a Sanction is not appropriate.

**Cancelled:** the referral for decision is cancelled by the LMDM when they are aware there was no entitlement on the date of transgression or there had been a failing in the process. This can occur when a Claimant is no longer entitled to JSA (e.g. they enter employment) but the LMDM only receives this information after an initial Sanction decision is made.

**High level Sanction:** for failures relating to employment such as leaving a job voluntarily, failing to apply for a vacancy, failing to take up the offer of a job. Duration of 13, 52 or 156 weeks.

**Intermediate level Sanction:** for losing entitlement through not being available for employment and/or not taking agreed steps to actively seek employment each week. Duration of four weeks or 13 weeks. Any time off benefit through the loss of entitlement is deducted from the Sanction duration.

**Low level Sanction:** for failing to complete a work-related activity imposed via a Jobseeker Direction, for losing a place, failing to take up a place or refusing a place on a training or employment scheme or failing to attend a mandatory interview at the JCP. Duration of four weeks or 13 weeks.

## List of abbreviations

BAU	Business as Usual
BC	Benefit Centre
CC	Contact Centre
DR	Decision Review
DWP	Department for Work and Pensions
JCP	Jobcentre Plus
JSA	Jobseeker's Allowance
LMDM	Labour Market Decision Maker
MI	Management Information
MR	Mandatory Reconsideration
SBS	Senior Business Sponsor
SWL	Sanctions Warning Letter
WPP	Work Programme Provider

# Appendix A - Sanctions Warning Letter

If you call or write to us, please use this reference:  
SWL<<INSERT NINO>>



**jobcentreplus**

Department for  
Work and Pensions

Hanley Benefit Centre  
Post Handling Site B  
Wolverhampton  
WV99 1DF

[www.gov.uk](http://www.gov.uk)

Telephone: 0345 608 8545  
Textphone: 0345 608 8551

<<date --/--/2016>>

## **We will stop your payments if we don't hear from you within 14 days**

Please contact us

Dear <<ClientTitle>> <<ClientSurname>>

We will stop your Jobseeker's Allowance payments if we don't hear from you by <<insert date 14 days from now>>. This is because on <<date>> you <<reason for referral>>.

We will stop your payments for <<number>> weeks. We call this a 'sanction'.

We have based this decision on the information we have now. This includes any information you have already given us.

### **What you need to do now**

If you have any further information on why you <<reason for referral>>, please call us on the number at the top of this letter or write to us using the pre-paid envelope provided.

If you are finding it difficult to understand or reply to this letter, it might be helpful to talk to someone who can help you. This could be a friend, family member or welfare adviser. Your work coach at the jobcentre can give you the contact details of welfare advice organisations in your area.

### **What happens if we hear from you**

If we hear from you by <<insert date 14 days from now>> we will consider what you tell us and may change our decision. We will write to you to confirm whether your Jobseeker's Allowance payments will stop as planned or will continue.

### **Contact us with any additional information.**

It's not too late to talk to us about the situation.

**If you do, your payments might not stop.**

SWL1



**What happens if we don't hear from you**

If we don't hear from you by <<insert date 14 days from now>> we will stop your payments as planned. We will write to you to confirm this.

**If we stop your Jobseeker's Allowance payments**

Please speak to your work coach at the jobcentre. You may be able to get a hardship payment if you don't have enough money to live on. This is a reduced amount of benefit.

Your work coach can also tell you about organisations in your area that may be able to help you.

**What you also need to do**

You need to keep doing all you can to find work. And you need to take part in all the meetings we've asked you to. This includes signing on as usual, even if we stop your payments.

If you don't attend all the meetings and don't keep doing all you can to find work, we might stop your payments for longer.

If you don't sign on, we could close your claim. This would mean you would no longer get Jobseeker's Allowance and National Insurance credits, and any Housing Benefit and Council Tax Reduction you get may stop.

**Please contact us to give us any further information.** We may be able to help if you get in touch as soon as you can. If you do, your payments might not stop.

Yours sincerely,

Office manager

**Please note:** This letter is part of a trial to test a new process. This new process gives people receiving Jobseeker's Allowance more time to contact us with further information before being sanctioned. The information in this letter is correct for your area and for as long as the trial lasts. If we decide to apply a sanction to your benefit in the future you may not be given more time to provide further information.

SWL1

## More information

---

### Getting help and support

Tell us if you don't understand this letter. We can give you information in a different way, or in a different format such as large print.

---

### If we stop your payments, what you can do if you disagree

#### You can ask us to explain why

You, or someone who has the authority to act for you, can phone or write to us within one month of the date on the sanction letter (the letter that confirms your payment is stopping). You can ask us to explain our decision in writing.

#### You can also ask us to reconsider the decision

Tell us if you think we've overlooked anything, or you've got more information that affects the decision. You must do this within one month of the date on the sanction letter.

When we've looked at what you've told us, we'll send you a letter to tell you what we've decided and why. We call this letter a 'Mandatory Reconsideration Notice'.

#### What happens next?

If you agree with the result of the Mandatory Reconsideration Notice you don't have to do anything.

If you disagree with the Mandatory Reconsideration Notice, you can appeal to a tribunal. But you must wait for the Mandatory Reconsideration Notice before you start an appeal.

---

### Where can I find more information?



Visit our website at [www.gov.uk/jobseekers-allowance/furtherinformation](http://www.gov.uk/jobseekers-allowance/furtherinformation) to find out more about sanctions, hardship payments and what to do if you think our decision is wrong.



For free advice about managing money, visit [moneyadvice.service.org.uk](http://moneyadvice.service.org.uk)

---

### About QR codes



These square barcodes open a specific website, saving you typing in long web addresses.

You can get a free app to scan QR codes on most smartphones.

---

### Equality and diversity

We are committed to treating people fairly, regardless of their disability, ethnicity, gender, sexual orientation, transgender status, marital or civil partnership status, age, religion or beliefs. Please contact us if you have any concerns.

---

### Call charges

Calls to 0345 numbers cost no more than a standard geographic call, and count towards any free or inclusive minutes in your landline or mobile phone contract.

---

### Housing Benefit and Council Tax Reduction

If you get Housing Benefit or Council Tax Reduction, keep in touch with your local council. Tell them about any changes to your circumstances including if you get a sanction. They will tell you what you need to do next.

SWL1

# Appendix B - Process flow charts

