



## Work and Pensions Committee

House of Commons, London, SW1A 0AA

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From the Chair

4 July 2018

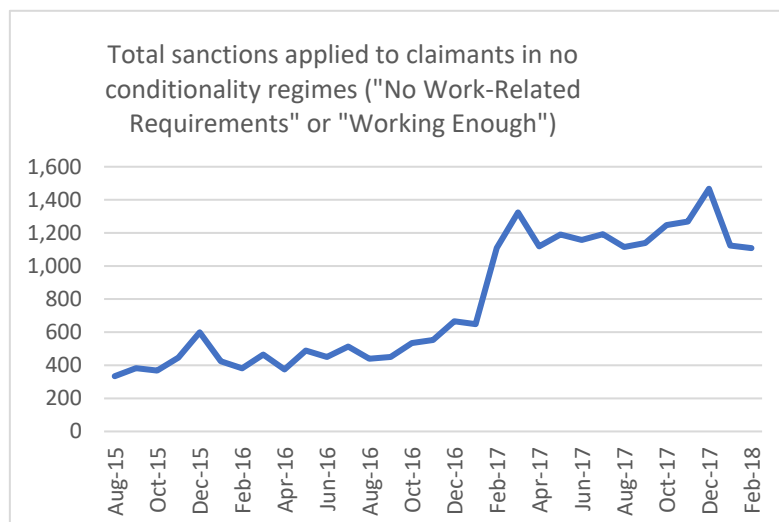
Alok Sharma MP  
Minister of State  
Department for Work and Pensions  
Caxton House  
SW1H 9NA

Dear Alok,

### Benefit sanctions

Thank you for your letter dated Monday 25 June, following on from which the Committee has a number of questions, to which it would be grateful for your response.

- 1) According to the data published in Annex 1 to your letter, in February 2018 1,108 Universal Credit claimants were subject to a sanction despite being in the “Working Enough” or “No Work-Related Requirement” conditionality regimes, as highlighted in the extract below.**
  - How do you explain the rise in total sanctions applied to claimants in these regimes, particularly the steep increase in February 2017?
  - For claimants in these regimes, the sanction cannot be intended to drive behaviour change. What then is its purpose?
  - When a claimant moved from JSA to ESA or Income Support under the legacy system, any sanction would not have travelled with them, recognising their circumstances and ability to seek work have changed. What is the rationale for a different arrangement under Universal Credit?
  - Regulation 111 of the Universal Credit Regulations 2013 allows the daily reduction rate to be nil for a claimant who has been sanctioned and moves into the LCWRA group due to health problems. Why is this not the case for a claimant who moves into a “no conditionality group” for other reasons?



<b>Conditionality Regime:</b>	<b>No work requirements</b>	<b>Working – no requirements</b>	<b>Total sanctions applied to claimants with no conditionality</b>
<b>Aug-15</b>	45	289	334
<b>Sep-15</b>	52	331	383
<b>Oct-15</b>	51	317	368
<b>Nov-15</b>	67	379	446
<b>Dec-15</b>	85	514	599
<b>Jan-16</b>	61	363	424
<b>Feb-16</b>	55	327	382
<b>Mar-16</b>	55	410	465
<b>Apr-16</b>	57	318	375
<b>May-16</b>	66	423	489
<b>Jun-16</b>	72	378	450
<b>Jul-16</b>	78	435	513
<b>Aug-16</b>	91	349	440
<b>Sep-16</b>	105	345	450
<b>Oct-16</b>	147	387	534
<b>Nov-16</b>	170	383	553
<b>Dec-16</b>	190	476	666
<b>Jan-17</b>	236	413	649
<b>Feb-17</b>	378	731	1,109
<b>Mar-17</b>	393	931	1,324
<b>Apr-17</b>	402	717	1,119
<b>May-17</b>	394	796	1,190
<b>Jun-17</b>	402	755	1,157
<b>Jul-17</b>	410	782	1,192
<b>Aug-17</b>	400	715	1,115
<b>Sep-17</b>	377	762	1,139
<b>Oct-17</b>	419	828	1,247
<b>Nov-17</b>	459	810	1,269
<b>Dec-17</b>	493	974	1,467
<b>Jan-18</b>	456	668	1,124
<b>Feb-18</b>	476	632	1,108

2) In our evidence session on 16 May, Dr David Webster said:

*Overall the statistics understate the scale of sanctions, because they change each record to update to the latest status of the case, which means that the figures are showing you sanctions after any successful appeals, rather than before. That particularly affects ESA sanctions, where there is a very high rate of appeal and a high success rate.*

Data published in Annex 3 to your letter show this to be the case; the Department's published data consistently understate the number of sanctions for UC, JSA and ESA by updating figures to reflect the post-appeal status. As predicted by Dr Webster, the greatest discrepancy occurs under ESA, highlighted in the extract below.

- Since January 2017 the average difference between pre- and post-appeal sanction decisions for ESA claimants is 36% and at its greatest, was 57%. How can this be explained and to what extent does it reflect poor decision making?
- Why does the Department only publish post-appeal figures?
- Will you commit to making public on a routine basis the pre-appeal sanction data?
- Please could the data in Annex 3 be broken down by conditionality category and the same be provided for the full service, if available?

	Universal Credit			JSA			JSA		
	Pre-appeal	Post-appeal	Difference <sup>1</sup>	Pre-appeal	Post-appeal	Difference	Pre-appeal	Post-appeal	Difference
<b>Aug-16</b>	11,978	11,482	<b>4%</b>	11,299	8,960	<b>26%</b>	1,386	905	<b>53%</b>
<b>Sep-16</b>	12,890	12,424	<b>4%</b>	9,858	8,046	<b>23%</b>	1,269	811	<b>56%</b>
<b>Oct-16</b>	15,286	14,898	<b>3%</b>	8,857	7,351	<b>20%</b>	1,092	975	<b>12%</b>
<b>Nov-16</b>	25,654	25,387	<b>1%</b>	9,804	8,171	<b>20%</b>	1,242	811	<b>53%</b>
<b>Dec-16</b>	28,287	27,922	<b>1%</b>	7,541	5,835	<b>29%</b>	<b>1,173</b>	<b>749</b>	<b>57%</b>
<b>Jan-17</b>	28,460	27,364	<b>4%</b>	7,290	5,973	<b>22%</b>	1,089	749	<b>45%</b>
<b>Feb-17</b>	27,228	25,729	<b>6%</b>	7,844	6,647	<b>18%</b>	983	707	<b>39%</b>
<b>Mar-17</b>	24,581	22,985	<b>7%</b>	8,447	6,855	<b>23%</b>	1,190	870	<b>37%</b>
<b>Apr-17</b>	14,668	13,573	<b>8%</b>	6,580	5,365	<b>23%</b>	919	672	<b>37%</b>
<b>May-17</b>	16,701	15,619	<b>7%</b>	7,801	6,591	<b>18%</b>	1,182	889	<b>33%</b>
<b>Jun-17</b>	20,436	19,329	<b>6%</b>	7,364	6,008	<b>23%</b>	1,117	820	<b>36%</b>
<b>Jul-17</b>	17,180	16,252	<b>6%</b>	6,093	4,954	<b>23%</b>	955	682	<b>40%</b>
<b>Aug-17</b>	14,189	13,385	<b>6%</b>	5,707	4,773	<b>20%</b>	900	694	<b>30%</b>
<b>Sep-17</b>	14,421	13,710	<b>5%</b>	5,185	4,301	<b>21%</b>	783	549	<b>43%</b>
<b>Oct-17</b>	14,842	13,943	<b>6%</b>	4,823	3,947	<b>22%</b>	721	542	<b>33%</b>
<b>Nov-17</b>	19,028	18,086	<b>5%</b>	3,721	2,844	<b>31%</b>	590	439	<b>34%</b>
<b>Dec-17</b>	14,674	13,589	<b>8%</b>	2,485	1,851	<b>34%</b>	437	324	<b>35%</b>
<b>Jan-18</b>	18,674	17,350	<b>8%</b>	3,374	2,831	<b>19%</b>	544	420	<b>30%</b>

<sup>1</sup> Expressed as the percentage difference between the published post-appeal figure and the pre-appeal figure provided by the DWP i.e. pre-appeal figure is X% greater than the published figure.

- 3) The UK Statistics Authority has recommended that the DWP routinely publish the proportion of all claimants of each benefit over one- and five-year periods who have been sanctioned. The figures published to date are outlined below.

JSA one year figures (after challenges)		JSA five year figure (after challenges)		ESA (WRAG) one year figure (after challenges)	
2007/08	11.8%	2009/10 – 2013/14			
2008/09	9.8%				
2009/10	10.8%				
2010/11	15.1%				
2011/12	13.2%				
2012/13	16.0%				
2013/14	18.4%	22.3%		2014/15 (1 Jul-30 Jun)	
2014/15 (1 Jul-30 Jun)	12.9%				

- Please could you:
    - update the after-challenge figures on a one- and five-year financial basis for both JSA and ESA;
    - provide the one-year figures for UC for 2016-17 and 2017-18; and
    - provide a figure for UC covering the whole period since August 2015?
- 4) Your letter explains that one reason for differing sanction rates between UC and JSA is that under the latter, a failure to attend an appointment results in closure of the case, but this cannot be done under UC.
- What analysis has the department done to understand what proportion of the different sanction rates between these two benefits can be explained in this way?
- 5) Your letter notes that the trial relating to in-work progression found only 2% of participants were sanctioned. Given the trial only covered a short period, might you please provide data on how many in-work claimants have been sanctioned since August 2015?

Best wishes and I look forward to hearing from you,



**Rt Hon Frank Field MP**  
Chair, Work and Pensions Committee