



**Department
for Work &
Pensions**

Minister for Family Support,
Housing & Child Maintenance
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Rt Hon Frank Field MP

27 NOV 2018

Dear Frank,

You wrote on 19th November seeking further clarification on our response of 16th November following the oral evidence session on 24th October.

Please find our responses below, addressed in sections following your questions.

You asked about:

- a) The proportion of claimants reclaiming the maximum amounts of £646 and £1108 for childcare costs;
- b) Whether the Department gathers or plans to gather data on claimants' costs in excess of these caps;
- c) Any assessment the Department has carried out on whether these maximum amounts are sufficient to ensure access to high quality childcare across the country.

We explained that the information that you sought was not available but that we would provide more in 2019. You then asked the following two follow up questions.

1. Might you please clarify to which part of my question your response refers and what, specifically, the Committee should expect an update on in 2019?
2. When in 2019 might we expect this update?

Our response to questions 1 and 2

As UC childcare is still in the progress of rolling out and the claimants that received UC early in the rollout did not have children, it is too early to provide an assessment of the level of childcare and whether the maximum amounts are sufficient. We are planning to carry out this analysis during 2019 once the caseload is representative and the data has been quality assured.

The data structure of childcare expenditure information is complex and will require significant quality assurance. We estimate it will be possible to provide the answer in a statistical ad-hoc publication in summer 2019, subject to managing other demands for analysis.

You had also asked about Flexible Support Fund (FSF) spending in 2015/16, 2016/17 and 2017/18. We referred you to a PQ from 2014 giving details of spending in 2012/13 and noted that “updates to these statistics are not in the public domain; in order to update them DWP would need to release them via a publication”.

You then asked the following two clarifying questions.

3. The Committee is aware that this data is not in the public domain. That is why we asked you to provide it. Might you please release these and give an indication of when we might hope to see the publication?
4. Might you please explain why it was possible to provide this data in answer to a PQ in 2014, but not in response to a letter from a select committee in 2018?

Our response to 3 and 4

We previously referred you to a PQ from 2014 as we believed that it included the most recent statistics available externally.

However, the answer to PQ 131066 (below) perhaps provides a more comprehensive summary of FSF spending on childcare. It covers all the reasons recorded for using the Fund to pay for childcare, whereas the childcare entry of PQ 186330 excluded child care costs relating to training. Spending data for 2017/18 is not currently available and the cost to produce it would be prohibitive.

PQ 131066 follows:

To ask the Secretary of State for Work and Pensions how much of the Jobcentre Plus Flexible Support Fund budget was spent on (a) transport, (b) childcare, (c) training and (d) other costs in each of the last five years?

The requested information is detailed in the table below:

Category	2012-13	2013-14	2014-15	2015-16	2016-17
Total Budget	£99.9 m	£127.6 m	£178.8 m	£76.8 m	£51.7 m
- Transport	£13.4 m	£19.2 m	£20.2 m	£15.4 m	£13.5 m
- Childcare	£1.6 m	£1.8 m	£1.5 m	£1.6 m	£1.2 m
- Training	£15.5 m	£18.6 m	£10.6 m	£15.2 m	£8.4 m
- Other	£84.5 m	£70.6 m	£59.2 m	£26.1 m	£27.8 m

Total	£115.0 m	£110.1 m	£91.5 m	£58.4 m	£51.0 m
Underspend	(£15.2m)	£17.5 m	£87.3 m	£18.4 m	£0.7 m
Underspend (%)	(15.2%)	13.7%	48.8%	24.0%	1.4%

Notes:

- All figures have been rounded to the nearest £100,000, with negative values enclosed in brackets.
- The budget for the Flexible Support Fund is subject to annual review and change based on claimant needs and volumes, and as new policies are agreed and old policies are withdrawn. As discretionary expenditure, it is also dependent upon overall Departmental affordability.
- The level of expenditure reflects these changing policies and the level of claimant demand. In 2014/15 the Department received funding as part of the Spending Review 2013 in order to meet travel and childcare costs to facilitate additional support for claimants. However, the demand for this increased funding was limited.

In response to question 4, the Department releases statistical information through Official National Statistics, ad-hoc official statistics and in answer to Parliamentary Questions in order to comply with the statistics code of practice.

You asked for further clarification on the Flexible Support Fund with the following question.

5. It is not at all clear to me what this means. Might you please clarify? In particular, I would welcome confirmation of whether the Department is, or is not, taking steps to promote the fund to providers.

DWP response to question 5

Apologies for a lack of clarity with the previous response.

We are not aware of specific discussions with providers to promote the use of the Flexible Support Fund at a national level. However, Jobcentres do work closely with many different providers from different sectors in their local areas so they may well discuss the Flexible Support Fund as appropriate as part of these discussions. This is not monitored centrally so we cannot provide further information on it.

However, as outlined in our letter 16th November, the Flexible Support Fund is being promoted internally, to our Work Coaches, via internal communications as well as via roadshows, with the aim of educating them about the availability of the Flexible Support Fund for use in childcare, including for up-front payments or deposits.

Finally, you asked about claimants who are fined by childcare providers due to official error being compensated by the Department. And then asked the following questions.

6. Might you please set out what circumstances the Department would take into account in making this decision and provide copies of any guidance issued to front-line staff and decision-makers on the issue?
7. For each year since 2015/16, how many requests for reimbursement has the Department received and how many were granted?

Our response to questions 6 and 7

DWP has the scope to award a special payment for 'Actual Financial Loss' of up to £250. This discretionary payment can be used where a childcare provider has imposed a financial penalty on customers for late payment and where the cause of the delay is as a result of DWP maladministration. Internal guidance is available to our work coaches on these special discretionary payments. However, detailed guidance is not available in the public domain.

Internal feedback suggests that such claims have fallen since the introduction of the digital upload facility to verify childcare costs as claimants are able to provide verification and evidence more easily. We will monitor complaints for trends and issues.

The information requested in question seven is not currently available.

I trust you find this useful.

Kind regards,



Justin Tomlinson MP
Minister for Family Support, Housing & Child Maintenance