



Department
for Work &
Pensions

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Rt Hon Frank Field MP
Chair of the Work and Pensions
Committee
House of Commons
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22nd October 2015

Dear Frank,

GOVERNMENT RESPONSE TO THE WORK AND PENSIONS SELECT COMMITTEE, FIFTH REPORT OF SESSION 2014/15: BENEFIT SANCTIONS BEYOND THE OAKLEY REVIEW.

I am writing to provide you with the Government response to the Work and Pensions Select Committee Report on Benefit Sanctions.

I am very grateful to the Committee for its work. As you are aware, we have taken time to thoroughly consider the Report, and to look at the issues raised.

The Committee has provided valuable insights into the way that the sanctions system is viewed, and has enabled us to explore areas where we might improve the processes we operate. Given that we strive for continuous improvement throughout our business, I am delighted to have had the opportunity to consider what we might do better.

I am particularly pleased to be able to confirm that, prompted by the Committee's recommendation for a yellow card warning system, we will trial a system of warning before a sanction is imposed. At present, people are notified of a sanction and it is imposed immediately afterwards. In some cases, claimants go on to challenge the decision and the sanction may be overturned. We will trial arrangements whereby claimants are given a warning of our intention to sanction and a 14-day period to provide evidence of good reason before the sanction is imposed. During this time, claimants will have another opportunity to provide further evidence to explain their non-compliance. We will then review this information before deciding whether a sanction remains appropriate. We expect that this will strike the right balance between enforcing the claimant commitment, and fairness.

We will also reintroduce automated JSA sanctions notifications. In 2001, under the last Labour Government, the process for issuing notifications was changed, replacing automated letters with arrangements whereby staff had to manually trigger a notification. Recent analysis assessed historic compliance with notification arrangements when notifying of decisions of JSA sanctions as above 93%. The Department has introduced new checks to move compliance towards 100%, and will revert to the arrangements before 2001 of issuing letters automatically. The Department will write to claimants it has identified who may not have had a decision letter to explain the position. Importantly, we have also published analysis today, which shows that the absence of these notifications appears to have no material impact on claimants' subsequent ability to overturn a sanction through mandatory reconsideration on appeal.

We are also considering extending the definition of "at risk" groups we use for hardship purposes to include those with mental health conditions and those who are homeless. This will mean that they can seek access to hardship from day 1 of a sanction being applied. We have recently accelerated the process for considering hardship claims so they are now paid within three days. Subject to further work on feasibility we will accept the Committee's recommendation to have a decision maker set up an appointment to discuss hardship where a claimant is either vulnerable or has dependent children, a step which would help decisions to be made even more quickly.

The Government sees sanctions as playing an important part in the labour market system, encouraging people to comply with conditions which will help them move into work. We want the sanctions system to be clear, fair and effective in promoting positive behaviours and we will continue to keep it under review so that it meets those aims. I am pleased that our work in this area has demonstrated that our processes are robust and that we keep the operation of the sanctions system under close review and, where we identify an issue, we act to put it right.

I am grateful to the Committee for helping us to ensure that we focus on the most important areas, and I greatly look forward to working with the Committee in the future. I've highlighted three areas I think are of particular importance but the attached response to your report goes into further details on the areas where we have made progress.

A handwritten signature in black ink, appearing to read 'Iain Duncan Smith', with a long horizontal line extending from the end of the signature.

The Rt Hon Iain Duncan Smith MP

SECRETARY OF STATE FOR WORK AND PENSIONS