WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY BY DEPUTY G.P. SOUTHERN OF ST. HELIER ANSWER TO BE TABLED ON TUESDAY 4th MARCH 2014

Question

Will the Minister state what figure he has for the application of sanctions under income support for –

- a) Being insufficiently active in seeking work
- b) Leaving a position without "good reason"

Can the Minister inform members whether any of the following constitute a breach of job-seeker's terms and be sanctioned?

- i) Turning down a zero-hours job;
- ii) Missing one appointment with a mentor in six months;
- iii) Being off the island for a short period;
- iv) Being advised by a GP to stop work for health reasons.

Does the Minister believe that the use of sanctions can simply worsen hardship, as has been highlighted in the United Kingdom in a report from certain bishops of the Church of England?

Answer

Members will recall the reasons for recently strengthening the Income Support sanctions, and why these changes were so strongly supported in the debate in October 2013. The sanctions are not aimed at the majority of Income Support claimants, they do not save my Department money and there is no intention to create hardship. They target a small minority of people who are able to work, and able to take up the support offered by my Department to find work, but choose instead to remain reliant on the benefit system.

The debate in October examined the evidence that a stronger deterrent was required to reinforce the message that financial support from the taxpayer is conditional on taking personal responsibility; this involves jobseekers upholding their end of the bargain and actively engaging with the Department to look for suitable work. The taxpayer is funding the costs of the benefit, as well as the costs of the employment services we provide.

Academic evidence clearly suggests that the best way to help people into employment is through targeted support, backed up by a clear system of financial penalties for the minority who do not do enough to find work. The evidence shows that the benefits of work are as much social and psychological as they are financial, and so it is always our aim to help people find employment.

I therefore reject the suggestion that our fair use of proportionate sanctions creates hardship. On the contrary, it is unemployment itself that can lead to hardship and to reduce unemployment it is essential that the support we provide to jobseekers strikes an appropriate balance between incentives and sanctions. I believe that the recent changes to the sanction regime, accompanied by the active and diverse approach to supporting jobseekers through the Back to Work teams does create that balance.

Under the approved regulations, people required to look for work as a condition of receiving Income Support face financial penalties if they do not do enough to look for work. Anyone at risk of financial penalty is given a clear written warning the first time they fail to be actively seeking work. This written warning has no effect on their benefit payments and clearly explains what they must do in order to avoid a financial sanction. People who later choose to ignore that warning will receive a financial sanction if they cannot subsequently demonstrate a good reason why they failed to be actively seeking work. As with all other decisions under Income Support, people issued with a written warning or financial penalty are informed of their right to request a second decision from another officer. If they do not agree with the second decision they then have the right of appeal to an independent tribunal.

Since the new Income Support rules were brought in on 15 October 2013, the following numbers of sanctions have been applied to jobseekers claiming Income Support:

Income Support sanction	Total (15/10/13 – 14/02/14)
Warning issued (no financial penalty)	385
Penalty: first breach of written warning	130
Penalty: second breach of written warning	50
Penalty: third breach of written warning	17
Penalty: giving up work without good reason	57

As a condition of receiving Income Support, all jobseekers are required to agree with the Department the actions they will take to find work, and the conditions that will apply to them in order to satisfy the work requirements of Income Support. As stated above, in the first instance of a person failing to meet one of these conditions they will be sent a written warning that will inform them that their benefit payments are at risk if they fail again to undertake jobseeking tasks.

In response to the specific examples in the question, each of numbered items 1-3 could represent a failure to be actively seeking work, but officers are always required to consider whether a person had good reason for failing in each instance. For example, although being present on the Island in order to look for work is a condition that applies to all jobseekers receiving Income Support; it is equally true that a person could demonstrate they had good reason to be off-Island, such as a family funeral or specialist hospital treatment. Furthermore, in each case the first offence would result in a written warning rather than an immediate financial penalty.

With regards to people required to stop work for health reasons, officers always consider these situations when the customer supplies a valid certificate of Short Term Incapacity. The Income Support guidelines have always incorporated detailed guidance for considering people who have a medical condition that limits their capacity to work, or to undertake certain kinds of work. For example, a person required to stop work on a building site because of a back injury would face no financial penalty for giving up that job.