

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON MONDAY 12TH DECEMBER 2016**

Question

What assessment has the Minister made of the applicability to Jersey of the National Audit Office's report in the U.K. entitled 'Benefit Sanctions', published on 30th November 2016, that the Department for Work and Pensions is not achieving value for money in its use of sanctions and that it should support better understanding of the impact of sanctions and use data to track that impact on the likelihood, duration and quality of employment?

What data or evidence, if any, does the Minister have to show that her Department's own sanctions regime is applied in a consistent and accurate manner?

Will the Minister advise how many sanctions were implemented in 2015, with what duration and for what reason, and further advise what total sum was withheld from benefits and how much was paid in hardship claims?

Answer

The National Audit Office's report on "Benefit Sanctions" is not applicable to Jersey, either directly or by extension, because it examines a very different system. Although there are similarities in that both jurisdictions operate a low-income benefit with work conditions, there are considerable differences between the way the UK's Department of Work and Pensions operates its benefits, and the way that Jersey's Social Security Department operates Income Support.

The National Audit Office's report raises varied concerns. It raises questions over the consistency of decision making between different benefit offices, communication of the sanctions rules on a national basis and the use of third-party providers to make sanctions decisions. None of these factors apply to Jersey, so although the report has been studied by officers in my Department, the criticisms made in the report are no cause for action here.

For the purposes of benefit sanctions the most important difference is that Jersey's system is designed so that decisions about a client's jobseeking activities are made by their personal advisor, who is primarily responsible for helping them find work, maintaining regular contact, and arranging opportunities to look for work. All personal advisors responsible for jobseeking decisions work in the same Back to Work team, based together in the same office location. This delivers a degree of accuracy and consistency in decision making which would be much harder to achieve on a national basis, where individual benefit offices may be operating with very different mixes of staff resource and management support.

Making decisions about an individual's compliance with the jobseeking process is just a small part of the support given by Back to Work advisors. The majority of jobseekers are strongly motivated to find work, and so their interaction with their personal advisor is very much in terms of positive support and encouragement. Nonetheless, the legal requirement to engage with the process is clearly communicated to each customer by their advisor, and any first infraction results only in a written warning. The jobseeker has the right to challenge any decision made by an advisor, including the written warning and any

financial penalty. The personal relationship between the advisor and their customers means that safeguarding concerns in respect of any individual, their household or dependent children, can be passed through the appropriate channels.

The National Audit Office's report additionally raises concerns about the extent to which the UK's system offers value for money in terms of the administration of benefit sanctions. Back to Work advisors have many responsibilities, and applying sanctions represents a small part of their workload. The majority of their time is spent meeting with customers and helping them find employment. I consider this money well spent, and the steady decrease in the number of unemployed people shows the benefits of this investment.

Taking these factors into account, I do not consider that the criticisms raised in the report can by extension be applied to Jersey. I am confident that Jersey's sanctions for people who don't do enough to find work, or who leave work without a good reason, are applied fairly and consistently. Customers have the right to ask for all decisions to be reconsidered and, if unsatisfied with that second decision, to appeal to an independent tribunal.

Numbers of sanctions applied

4,590 individuals were registered with the Department as actively seeking work at some point in 2015. Of these, Back to Work supported around 2,900 Income Support jobseekers.

Throughout 2015, a total of 195 sanctions were issued for the first breach of a written warning, imposing a 2 week penalty equivalent to the adult component of the Income Support claim. This amounts to a maximum of £184.24 for each sanction issued. 107 sanctions were issued for the second breach of a written warning, imposing a 4 week penalty equivalent to the adult component of the Income Support claim. This amounts to a maximum of £368.48 for each sanction issued. 89 sanctions were issued for the third breach of a written warning, which results in the Income Support claim being closed and all benefit being withdrawn. As this results in the closure of the Income Support claim, it is not possible to say how much benefit was withheld without manually counting the value of each Income Support claim. In addition, 461 individuals received a sanction for leaving work without good cause. This lasts for 13 weeks and reduces Income support entitlement by up to the value of the adult component of £92.12 – a maximum total of £1197.56 for each sanction.

It should be noted that as sanctions are applied progressively, the number of individuals included in these figures is less than the total of the separate figures.

Approximately £11,000 was paid in 2015 to households who had been issued with a third breach of a written warning, but where there were safeguarding concerns over the welfare of children. The payments are made through Ministerial discretion.