EXPLANATORY MEMORANDUM TO

THE JOBSEEKERS ALLOWANCE (SANCTIONS FOR FAILURE TO ATTEND) REGULATIONS 2010

2010 No. 509

1. This Explanatory Memorandum has been prepared by The Department for Work and Pensions and is laid before Parliament by Command of Her Majesty.

2. Purpose of the Instrument

These Regulations introduce benefit sanctions for those customers who fail to attend a mandatory appointment or interview within the jobseeker's regime and who return to Jobcentre Plus within a period of five working days, but are unable provide a good reason for not attending. Benefit sanctions are being introduced to encourage jobseekers to attend these interviews and appointments because they are proven to help and support them in job-search activity and finding sustained employment.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None

4. Legislative Context

- 4.1 The introduction of legislation to sanction customers who fail to attend mandatory jobseeker appointment or interview resulted from the 2008 Welfare Reform Green Paper '*No one written off: reforming welfare to reward responsibility*' <u>http://www.dwp.gov.uk/docs/noonewrittenoff-complete.pdf</u>. The Green Paper indicated that jobseekers have an obligation to take up the support that is on offer to them from Jobcentre Plus.
- 4.2 The Green Paper proposed that someone failing to attend a fortnightly job review or appointment without good reason would automatically lose that week's benefit, unless they could demonstrate there had been a strong reason. A second failure to attend would mean the loss of two weeks' benefit.
- 4.3 These proposals were included in the Welfare Reform Act 2009 and amend the Jobseekers Act 1995, providing regulations to sanction customers who fail to attend a mandatory jobseeker appointment or interview.

5. Territorial Extent and Application

This instrument applies to Great Britain.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

• What is being done and <u>Why</u>

7.1 The Welfare Reform Act 2009 amends current legislation and provides for a benefit sanction where a jobseeker fails to attend a mandatory appointment or

interview within the Jobseeker's Allowance regime. The sanction has been introduced to meet the policy objective of encouraging jobseekers to attend their appointments or interviews with Jobcentre Plus. These are important in engaging and supporting jobseekers in job-search activity and finding sustained employment, thus preventing the high personal and social costs of unemployment and long-term unemployment.

- 7.2 The regulations support this policy by making detailed provision for the sanction from 6 April 2010. A jobseeker will receive a fixed period sanction where they fail to attend a mandatory appointment or interview and are unable to show a good reason within five working days. Entitlement to Jobseeker's Allowance will continue but the benefit will not be payable for a period of one week, or two weeks in subsequent instances of failing to attend during the same claim.
- 7.3 Currently, when a jobseeker fails to attend an appointment or interview without good reason, then their entitlement to claim Jobseeker's Allowance is brought into question. If the jobseeker provides a reason for their failing to attend within five working days of the interview a decision will be made about their benefit entitlement. Where the jobseeker shows a good reason for failing to attend then their claim will continue. For those who are unable to show a good reason their entitlement to Jobseekers Allowance will end and the claim will be closed down from the day they failed to attend. The jobseeker then has to reclaim benefit.
- 7.4 Around 12,000 jobseekers have their Jobseekers Allowance claims closed down each month under the current legislation. They often return shortly after their claim has been closed down to start a new Jobseekers Allowance claim.
- 7.5 The current legislation fails to provide sufficient incentive for some customers to attend interviews and appointments (typically they only lose two days benefit) and places an administrative burden on Jobcentre Plus in having to constantly close and re-open claims. It is anticipated that increasing the amount of benefit lost up to a maximum of two weeks will increase the incentive for jobseekers to attend their appointments and interviews.

• Consolidation

7.6 There are no immediate plans to consolidate the regulations as amended by this instrument. Informal consolidation will be provided by way of "The Law Relating to Social Security" (Blue Volumes), available on line free of charge to the public. <u>http://www.dwp.gov.uk/publications/specialist-guides/law-volumes/the-law-relating-to-social-security/</u>

8. Consultation outcome

8.1 A three month public consultation period, from 21 July 2008 to 22 October 2008, followed the publication of the Green Paper. The general public, organisations and Department for Work and Pensions staff were invited to respond to all the proposals in the paper. A total of 1,125 responses were received – this included 396 from organisations, 136 from staff 303 from the general public, the remainder being captured from the Netmums forum.

- 8.2 Responses to the consultation were evaluated by the Department for Work and Pensions <u>http://www.dwp.gov.uk/docs/appendixa.pdf</u>.
- 8.3 An independent evaluation was also carried out by GfK NOP Social Research <u>http://www.dwp.gov.uk/docs/consultationreport.pdf</u>.
- 8.4 No specific comments were received about the proposals to introduce these sanctions as a result of the consultation although there was some general concern about the consequences on family income and potential impact on disabled people particularly those with learning disabilities
- 8.5 In response to this the Department for Work and Pensions will ensure each individual's circumstances are carefully considered before imposing a sanction and also maintain the safeguards which are already in place to prevent unfair use of sanctions on anyone, including vulnerable people.
- 8.6 A more recent consultation on the measures covered by these regulations has not been undertaken as they are consequential to wider changes that were first proposed and consulted on in the Welfare Reform Green Paper.

9. Guidance

- 9.1 Existing regulatory and operational guidance will be updated to reflect the change and a guidance alert issued to decision makers, Jobcentre and benefit processing staff prior to 6 April 2010 so that they are aware of the change.
- 9.2 Jobcentre Plus already communicates with jobseekers who attend the Jobcentre on a regular basis for mandatory appointments and interviews about the impact that failing to attend may have on their benefit.
- 9.3 Jobcentre Plus leaflets, other information products and letters are being updated to reflect the changes associated with the introduction of sanctions.

10. Impact

- 10.1 This legislation has no impact on the private or voluntary sectors.
- 10.2 The impact on the public sector is negligible.
- 10.3 A full impact assessment has not been published for this instrument.

11. Regulating small business

This legislation does not apply to small business.

12. Monitoring and Review

12.1 The intended outcome from the introduction of this instrument is improved attendance at mandatory Jobseeker appointments and interviews. This will be evaluated on an ongoing basis from April 2010 using information drawn from Jobcentre Plus IT systems.

12.2 The impact on different customer groups will be evaluated as part of a wider review of sanctions.

13. Contact

Mike Rigby at the Department for Work & Pensions Tel: 0113 2327787 or e-mail: mike.rigby@jobcentreplus.gsi.gov.uk can answer any queries regarding the instrument.