Sanctions, Suspensions and Disallowances

Summary

1. When an award of Jobseekers Allowance (JSA) is in doubt payment can be immediately suspended, wholly or in part. A suitably trained person, usually the JSA Decision maker (DM) is the person who makes the decision to suspend benefit. The circumstances when suspension should be considered or a case Stayed are outlined in Legal Group's Suspension and Termination Guide, and the DMG, Chapter 4.
2. Before applying a suspension the DM must consider if the claimant would suffer hardship. The claimant has no right of appeal against a decision to suspend payments, however if the decision is questioned it should be looked at again by a different officer. Ultimately the decision to suspend benefit is open to judicial review.
3. From 17 April 2012, a reduction in the time allowed to provide evidence in support of the claim before considering suspension has been implemented. A suspension can be considered after 14 days.

What is a sanction?

4. A sanction is a penalty imposed by a Decision Maker if they decide that a claimant has:

- failed to attend a Jobsearch Review or Adviser Interview without good cause;
- left their employment voluntarily without just cause;
- lost their employment through misconduct;
- refused or failed to apply for or accept employment without good cause;
- neglected to avail themselves of a reasonable opportunity of employment without good cause;
- refused or failed to carry out a Jobseeker's Direction which was reasonable having regard to the claimant's circumstances without good cause;
- without good cause, refused or failed to apply for or accept a place on a training scheme or employment programme;
- failed to attend a training scheme or employment programme without good cause;
- lost a place on a training scheme or employment programme through misconduct;
- neglected to avail themselves of a reasonable opportunity of a place on a training scheme or employment programme without good cause; or
- given up a place on a training scheme or employment programme without good cause.

5. A sanction may apply even if the claimant satisfies the conditions of entitlement to Jobseeker's Allowance (JSA).

6. During the period between the identification of a sanction question and the decision by the Labour Market Decision Maker (LMDM), the claimant can, if the entitlement conditions are satisfied, continue to receive JSA payments.

7. Sanctions are imposed from the first day of the benefit week following the week in which the decision is made.

8. If the LMDM decides to apply a sanction, payments of JSA cease under the normal rules. However, the claimant may apply for an award of JSA under the hardship provisions during this period.

Inputting a sanction decision

9. The LMDM will email their decision notification from DMAS to the JSA Maintenance team for action.

10. The action to take when the decision is received from the LMDM depends upon whether the decision is to allow the doubt or to impose a sanction.

Action when the decision is to allow the doubt

11. If the LMDM decides not to impose a sanction:

Step	Action
1	access dialogue JA210: Maintain Suspension and Decision details
2	in the MAINTAIN SUSPENSION AND DECISIONS screen JA210213, input [D] in the '(S)usp/(D)ecision field' and press [ENTER] to access dialogue JA210212.
3	in the MAINTAIN DECISION DETAILS screen JA210212 input details of the decision by completing the following fields: • Case Number – Leave blank • AR Code – This code can be found on the DMAS notification • AR Period in doubt – Leave blank • Decision – enter ALLD • Source – Input '2' • Decision Date – This is the date that the decision was made.
4	access dialogue JA200: Award and Decision to reassess the claim;
5	access dialogue JA405: Compute Payment. Input [N] into the 'Inhibit Award Notification' field if a decision notification is required. Press [END].

12. In JA405407 the 'Inhibit award Notification' should **ALWAYS be overtyped with 'N'** where the decision has been made. This will ensure the Claimant is notified of the suspension/disallowance on their claim, and the reason.

Action when the decision is to disallow the doubt

13. If the LMDM decides to impose a sanction:

Step	Action
1	access dialogue JA210: Maintain Suspension and Decision details
2	in the MAINTAIN SUSPENSION AND DECISIONS screen JA210213, input [D] in the '(S)usp/(D)ecision field' and press [ENTER] to access

	dialogue JA210212.
3	in the MAINTAIN DECISION DETAILS screen JA210212 input details of the decision by completing the following fields: • Case Number – Leave blank • AR Code – This code can be found on the DMAS notification • AR Period in doubt – Input the start and end dates of the sanction • Decision – enter DISD • Source – Input '2' • Decision Date – This is the date that the decision was made.
4	consider an award of JSA under the JSA Hardship provisions;
5	access dialogue JA200: Award and Decision to reassess the claim;
6	access dialogue JA405: Compute Payment the payments are shown as [NIL] for the sanction period. Input [N] into the 'Inhibit Award Notification' field if a decision notification is required. Press [END].
7	access dialogue JA530: Case Controls and set a case control for the end of the sanction period.

14. In JA405407 the 'Inhibit award Notification' should **ALWAYS be overtyped with 'N'** where the decision has been made. This will ensure the Claimant is notified of the sanction, and the reason, as soon as possible.

Applying a sanction on a clerical claim

15. For clerically maintained claims:

Step	Action
1	consider an award of JSA under the JSA Hardship provisions;
2	complete form JSA14A to show the nil entitlement for the period;
3	cease all payments of JSA to the claimant by completing the 'Payment Record' panel on form JSA14P;
4	continue to record on form JSA14P the cumulative total of days of JSA(C) the claimant claimed;
5	BF the claim for the duration of the sanction;
6	Notify the claimant of the decision;
7	Notify any relevant third parties.

Action when the sanction ends

16. When the sanction period ends, case control S098: Entitlement review outstanding appears on the Work Available Report JA72539.
17. When the case control appears:

Step	Action
1	check if any change of circumstance has been reported **Note**: a JSA3 is only required for a complex change of circumstances;
2	access dialogue JA091: Maintain Claim Details, CLAIM DETAILS PICKLIST screen JA091002, and:

	• input [Y] in the 'Review Actioned' field; • press [F24}; • input [Y] on the picklist for any relevant change of circumstances; • press [F24] to confirm review action;
3	process any relevant change of circumstances;
4	fastpath to: • dialogue JA200: Award and Decision; and • dialogue JA405: Compute Payment.

What is a suspension?

18. Suspensions are imposed when doubts are identified on a claimants entitlement to JSA because of:
- availability;
- actively seeking work;
- refusal to sign a Jobseeker's Agreement;
- capability; or
- compensation payments, which include final earnings from their employer.

19. If a suspension is imposed on a JSA claim, payments of JSA cease under the normal rules. However, the claimant may apply for an award of JSA under the hardship provisions during this period.

20. A suspension can be set for either:
- an indefinite period; or
- a fixed period.

21. If a suspension is outstanding on a prior claim, this must be decided upon and details entered in dialogue JA210: Maintain Suspension and Decision Details before new claim details can be entered onto JSAPS.

Suspending a Jobseeker's Allowance claim

22. If a claim to Jobseeker's Allowance (JSA) needs to be suspended:

Step	Action
1	access dialogue JA210: Maintain Suspension and Decision details
2	in the MAINTAIN SUSPENSION AND DECISIONS screen JA210213, input [S] in the '(S)usp/(D)ecision field' and press [ENTER] to access dialogue JA210211.
3	in the MAINTAIN DECISION DETAILS screen JA210211 input details of the suspension by completing the following fields: • AR Code – Input the AR Code • AR Period in doubt – Input the start and end dates of the period in doubt • Submit – Input '2'
4	consider an award of JSA under the JSA Hardship provisions;
5	access dialogue JA200: Award and Decision to reassess the claim. JSAPS automatically sets up a NIL award for the suspension period;

| 6 | access dialogue JA405: Compute Payment the payments are shown as [NIL] for the suspension period. Input [N] into the 'Inhibit Award Notification' field if a decision notification is required. Press [END]. |

23. **NOTE:** An indefinite suspension can apply if the claimant declares ongoing circumstances that cast doubt over their entitlement, for example, availability for work or caring for a sick relative. In these cases, where no award has been made, DO NOT access dialogue JA200: Award and Decision after inputting the suspension details in dialogue JA210: Maintain Suspension and Decision Details as JSAPS automatically sets up a NIL award in dialogue JA200: Award and Decision.

24. In JA405407 the 'Inhibit award Notification' should **ALWAYS be overtyped with 'N'** where the decision has been made because of a claim Suspension or Disallowance. This will ensure the Claimant is notified of the suspension/disallowance of the claim, and the reason, as soon as possible to allow him/her to take corrective action if they wish to.

Applying a suspension on a clerical claim

25. For clerically maintained claims:

Step	Action
1	Cease payments of JSA by completing form JSA14P, noting it in red 'claim suspended because – reason why – from dd/mm/yy to dd/mm/yy';
2	send draft letter DLJA/102 to the claimant telling them that their benefit is suspended awaiting a decision;
3	note on form A6 that the claim is suspended and the reasons why;
4	BF the claim for two weeks to await the decision;
5	notify the claimant of the decision;
6	Notify any relevant third parties.

What is a Disallowance?

26. A disallowance is a penalty imposed by a Decision Maker if they decide that a claimant has failed to fulfil any of the following JSA entitlement conditions:
- availability;
- actively seeking work;
- failure to have a Jobseeker's Agreement in force;
- capability;
- receiving compensation payments;
- failure to provide a signed declaration; or
- failure to provide a National Insurance number or sufficient evidence to establish identity.

27. If a disallowance is imposed on a JSA claim, payments of JSA cease under the normal rules. However the claimant may, in certain circumstances, apply for an award of JSA under the hardship provisions after a disallowance has been imposed on their JSA claim.

28. The 182 days of entitlement to Jobseeker's Allowance contributory based (JSA(C)) do not accrue during a period of disallowance unless an award of JSA is made under the JSA Hardship provisions.

29. Days of disallowance do not count for:
- the award of National Insurance (NI) credits unless the claimant is disallowed on:
  - a contribution condition;
  - exhaustion of JSA(C); or
  - a compensation payment;
- linking purposes, unless the disallowance is on:
  - a contribution condition; or
  - the exhaustion of JSA(C).

Inputting the disallowance decision

30. The LMDM will email their decision notification from DMAS to the JSA Maintenance team for action.

31. The action to take depends upon whether the Decision Maker decides to allow the doubt or to disallow the claim:

Action when the decision is to allow the doubt

32. If the LMDM decides not to disallow the claim:

Step	Action
1	access dialogue JA210: Maintain Suspension and Decision details
2	in the MAINTAIN SUSPENSION AND DECISIONS screen JA210213, complete the following fields: • input [D] in the '(S)usp/(D)ecision field' • input the case number relating to the suspension in the 'Number' field (this can be found in JA513525). press [ENTER] to access dialogue JA210212.
3	in the MAINTAIN DECISION DETAILS screen JA210212 input details of the decision by completing the following fields: • Case Number – Input the case number • AR Code – This code can be found on the DMAS notification • AR Period in doubt – Leave blank (Delete any dates that are pre-populated • Decision – enter ALLD • Source – Input '2' • Decision Date – This is the date that the decision was made.
4	access dialogue JA200: Award and Decision to reassess the claim;
5	access dialogue JA405: Compute Payment. Input [N] into the 'Inhibit Award Notification' field if a decision notification is required. Press [END].

33. In JA405407 the 'Inhibit award Notification' should **ALWAYS be overtyped with 'N'** where the decision has been made. This will ensure the Claimant is notified of the suspension/disallowance on their claim, and the reason.

Action when the decision is to disallow the doubt

34. If the LMDM decides to disallow the claim:

Step	Action
1	access dialogue JA210: Maintain Suspension and Decision details
2	in the MAINTAIN SUSPENSION AND DECISIONS screen JA210213, complete the following fields: • input [D] in the '(S)usp/(D)ecision field' • input the case number relating to the suspension in the 'Number' field (this can be found in JA513525). press [ENTER] to access dialogue JA210212.
3	in the MAINTAIN DECISION DETAILS screen JA210212 input details of the decision by completing the following fields: • Case Number – Input the case number • AR Code – This code can be found on the DMAS notification • AR Period in doubt – Leave blank (Delete any dates that are pre-populated • Decision – enter DISD • Source – Input '2' • Decision Date – This is the date that the decision was made.
4	consider an award of JSA under the JSA Hardship provisions;
5	access dialogue JA200: Award and Decision to reassess the claim;
6	access dialogue JA405: Compute Payment the payments are shown as [NIL] for the sanction period. Input [N] into the 'Inhibit Award Notification' field if a decision notification is required. Press [END].

35. In JA405407 the 'Inhibit award Notification' should **ALWAYS be overtyped with 'N'** where the decision has been made because of a claim Disallowance. This will ensure the Claimant is notified of the disallowance of the claim, and the reason, as soon as possible to allow him/her to take corrective action if they wish to.

Applying a disallowance on a clerical claim

36. When a decision to disallow JSA is made on a clerically operated claim:

Step	Action
1	note the decision on formJSA14A;
2	cease payments by completing form JSA14P: • note in red 'claim disallowed, benefit not due from dd/mm/yy to dd/mm/yy'; and • note the days of disallowance for the purpose of awarding credits;
3	note the decision on form A6, if the disallowance is due to compensation payment;
4	notify the claimant of the disallowance decision;
5	notify any appropriate third parties.

37. When a decision to allow JSA is made on a clerically operated claim:

Step	Action
1	note the decision on form JSA14A and reassess the claimant's entitlement;
2	if payment was suspended, calculate the amount of arrears due, if any, and pay;
3	note the decision on form A6;
4	notify the claimant of the decision;

Action when a period of disallowance ends

38. The procedures to follow when a period of disallowance ends depends on the claimants circumstances:

The claimant was disallowed for Failing to Provide a Signed Declaration

39. If the claimant was disallowed for Failing to Provide a Signed Declaration their JSA claim will be terminated.
40. At the end of the disallowance, if the claimant wishes to continue with their JSA claim, advise them to make a claim online or telephone the contact centre who undertake the reclaim gather.

The claimant maintains contact with the jobcentre

41. If the claimant was **not** disallowed for Failing to Provide a Signed Declaration, and they maintain contact with the jobcentre the claim is not terminated.
42. When the period of disallowance ends, a review must be carried out. This is a procedural review to enable JSAPS to continue JSA payments.
43. JSAPS sets a case control SO98 to appear on the Work Available Report (WAR) JA72539 14 days before the disallowance period ends.
44. When the case control appears on the WAR send the claimant form JSA1/JSA4RR so entitlement can be reassessed.
45. When the JSA1/JSA4RR is returned, re-assess entitlemant to JSA using the information on the form

The claimant fails to maintain contact with the jobcentre

46. If the claimant fails to maintain contact with the jobcentre, their JSA claim is terminated.
47. At the end of the disallowance, if the claimant wishes to continue with their JSA claim, they must reclaim either online or by telephoning the Contact Centre.