

UCDMA002 Sanction Length  
Workbook  
Topic 01 – Sanction Length

## Timing

It will take approximately 40 minutes to complete this topic.

## Learning Objectives

When you complete this topic you will be able to:

- identify which sanction level applies
- determine if escalation applies
- determine the reduction period
- calculate the Total Outstanding Reduction Period (TORP); and
- determine the Daily Reduction Rate

## Learning Points

This topic covers the following areas:

- Sanction levels
- Escalation
- TORP
- Daily reduction rate

## Sanction Length

This topic will enable you to determine the level and length of sanction to apply to the different failures to meet work-related requirements. It also includes how to establish the indicative daily reduction rate.

Sanctions play a vital role in driving engagement with the labour market conditions. Currently, there are different sanction regimes for JSA, ESA and IS claimants. Many aspects of the Universal Credit sanctions regime have been introduced into JSA and ESA prior to the introduction of Universal Credit.

Where a failure is a sanctionable failure, the claimant's Universal Credit payments are normally reduced.

The period and rate of reduction depend on:

- what the sanctionable failure is
- the number of previous failures
- the period between failures
- the claimant's circumstances, for example where a claimant changes conditionality group while a sanction is in place and the rate of reduction drops from 100% to 40%

The type of failure determines the level of sanction and the level of sanction determines the length of the sanction.

## Sanction Levels

There are four levels of sanction in Universal Credit:

- Higher level sanctions
- Medium level sanctions
- Low level sanctions
- Lowest level sanctions.

### Higher Level Sanctions

A higher level sanction is imposed on claimants who:

- cease paid work or lose pay through misconduct
- cease paid work or lose pay voluntarily without good reason
- fail to undertake Mandatory Work Activity without good reason
- fail to apply for a particular vacancy without good reason; or
- fail to take up an offer of paid work without good reason

The fixed periods for higher level sanctions are 91 days, 182 days and 1095 days.



For eligible 16-17 year olds, the fixed durations are 14 days and 28 days.

### Medium Level sanctions

A medium level sanction is imposed on claimants who, without good reason, fail to:

- undertake reasonable work search action
- be able and willing immediately to take up paid work (or more paid work, or better paid work)

The fixed periods for medium level sanctions are 28 days and 91 days.



For eligible 16-17 year olds, the fixed durations are 7 days and 14 days.

## Low Level Sanctions

A low level sanction is imposed on claimants who, without good reason, fail to:

- undertake specified work search action
- comply with a work preparation requirement
- comply with a work-focused/work search interview requirement
- comply with a requirement to provide evidence or confirm compliance
- comply with a connected requirement relating to interviews and verification compliance including the provision of information and evidence; or
- comply with a requirement to report a specified change of circumstance (this will relate to failure to report the loss of a job)

There are two components to a low level sanction. An open ended period that runs for a period equal to the number of days from the date of the failure until:

- the day before the date on which the claimant meets the compliance condition specified by an officer of the Secretary of State
- the day before the date the requirement is lifted
- the day before the date the claimant moves to the no work related requirements group; or
- the date the award ends

The open ended period is followed by a fixed period of 7 days, 14 days or 28 days.





For eligible 16-17 year olds a first low level sanction will be an open ended period that runs for a period equal to the number of days from the date of the failure until:

- the day before the date on which the claimant meets the compliance condition specified by an officer of the Secretary of State
- the day before the date the requirement is lifted
- the day before the date the claimant moves to the no work related requirements group; or
- the date the award ends

However, second and subsequent low level failures are open ended, plus a fixed duration of 7 days.



Please note that at no point should a claimant be sanctioned for not participating on a Youth Contract work experience opportunity. The only reason that claimants may be sanctioned whilst participating is for gross misconduct.

## Lowest Level Sanctions

A lowest level sanction applies to claimants who are subject to work-focused interview requirements only.

Lowest level sanctions are open ended for a period equal to the number of days from the date of failure until the day before the claimant meets the compliance condition, for example attends, agrees to attend, or participates in a work-focused interview.

## Compliance Condition

A compliance condition is the requirement the claimant needs to complete in order to stop the open ended element of the sanction building.

For low level sanctions, this will usually be the original requirement the claimant failed to carry out but, where this is not possible, it will be a suitable alternative requirement as specified.

For lowest level sanctions, it will always be the requirement to attend a work focused interview.

## Escalation

If a claimant has more than one sanction imposed on their Universal Credit award, the length of a subsequent sanctions can escalate.

A sanctionable failure only escalates if there is a previous sanctionable failure at the same level:

- with a failure date in the 364 days immediately preceding the date of the current failure

**and**

- the date of the previous failure is not in the 13 days **immediately preceding** the date of the current failure



This means that you need to count the day **before** the current sanctionable failure as 'Day1'. Count back 13 days. If the previous sanctionable failure falls on Day 1 or through to Day 13, the new sanction will not escalate.

If however the previous sanction falls on Day 14 or earlier, the new sanction escalates.



A previous sanctionable failure means one where a decision to reduce UC has been made. So we count the date of the previous sanctionable failure for the purposes of escalation, but only where that sanctionable failure has led to a reduction period.

#### **Example 1**

Trevor is in the all work-related requirements group. He fails to apply for a specific vacancy on 26 March 2014. The DM decides that he does not have good reason for the failure and a 91 day sanction is imposed. He subsequently fails to apply for another vacancy on 26 April 2014 without good reason.

As his previous higher level failure was in the 364 days preceding the current failure, but not in the preceding 13 days, escalation applies and a sanction for 182 days is imposed.

#### **Example 2**

Phillip is in the all work-related requirements group. He fails to apply for a specified vacancy on 12 August 2013. The DM decides that he does not have good reason for the failure and a 91 day sanction is imposed.

Phillip fails to apply for another vacancy on 25 August 2013. However, as the failure on 12 August is within the 13 days preceding the current failure, escalation does not apply and a further 91 day sanction is imposed.

#### **Example 3**

Rowena is given a work preparation requirement by her Work Coach (WC) to register with a specified employment agency by 20 May 2014, but fails to do so.

On 23 May 2014 she notifies her WC that she registered with the agency that day.

The DM determines that she had no good reason for the failure and imposes a low level sanction of 10 days (3 days before compliance plus 7 days fixed period).

Rowena fails to attend a worksearch review on 2 June 2014. She attends on 5 June 2014 saying she forgot about the review on 2 June 2014. The DM determines that she had no good reason for the failure and imposes another low level sanction of 10 days (3 days before compliance plus 7 days fixed period).

In this instance another 7 days fixed period is appropriate because the failure of 20 May 2014 is disregarded, as it is in the 13 days preceding the current failure.

## Pre-claim failures

Sanctionable failures which occur before the claimant makes a claim to Universal Credit are known as pre-claim failures.

If the claimant:

- voluntarily ceases paid work or loses pay for no good reason, or
- ceases paid work or loses pay through misconduct; or
- fails to take up an offer of paid work for no good reason

that failure is disregarded when deciding the reduction period for a subsequent sanctionable failure.

A pre-claim failure can be counted with a previous higher level failure for escalation purposes providing the previous failure:

- took place in the 364 days immediately preceding the date of the failure in question, but not in the preceding 13 days; and
- is not another pre-claim failure

### **Example 1**

On 29 April 2014 Jamilla is sacked from her job due to misconduct. She claims Universal Credit on 30 April 2014. On 19 May 2014 the DM determines that Jamilla lost her job due to misconduct and imposes a reduction of 91 days.

On 4 March 2015 Jamilla leaves a job because she doesn't like it and reclaims Universal Credit from 9 March 2015. On 17 March 2015 the DM determines that Jamilla left her job for no good reason.

The first failure took place in the 364 days before the second failure but both occurred before she claimed Universal Credit i.e. both are pre-claim failures. Therefore, the first failure is not counted when determining the reduction period for the subsequent failure.

The DM imposes a 91 day reduction for the failure on 4 March 2015.

### **Example 2**

On 5 August 2014 Duncan refuses a job and the DM determines he has failed without good reason to accept paid work and imposes a 91 day higher level sanction. On 17 December 2014 he fails to apply for another job which is vacant and this time the DM imposes a 182 day reduction for a second higher level failure as the previous failure is in the 364 days immediately preceding the current failure. Duncan starts work on Monday 5 January 2015 his level of earning exceed his CET.

On 3 May 2015 Duncan reclaims Universal Credit having left his job on 1 May 2015. The DM determines Duncan left paid work voluntarily and without good reason and imposes a 1095 day reduction.

Although the current failure is a pre-claim failure it will escalate. This is because the most recent failure is within the preceding 364 days and it was not a pre-claim failure.



### Example 3

Louis is receiving Universal Credit. However, he stops claiming Universal Credit on 15/04/2014 because he finds full-time work.

On 22/05/2014 he is dismissed for misconduct. He is re-awarded Universal credit on 23/05/2014.

Louis cannot be sanctioned because the misconduct did not occur before his **claim** started; it occurred before Universal Credit was **re-awarded**.

### Failures determined out of sequence

There may be occasions when the DM will not be able to make decisions on failures in the order that they happen. This, in itself, will not affect escalation.

The important point to establish is whether there is a previous sanctionable failure in the 13 days or 364 days preceding the failure in question which led to a reduction period.

#### **Example**

On 31st July 2014 the DM decides that Keiza failed to comply with a requirement to participate in the MWA scheme on 28th April 2014 and that a sanction is appropriate.

On checking, the DM finds there is a previous higher level sanction recorded for a failure without good reason to apply for a job vacancy on 26th June 2014. This was decided on 30th June 2014 and a 91 day reduction to Keiza's Universal Credit was imposed.

Although the failure to comply with a requirement to participate in the MWA scheme occurred before the failure to apply for a job vacancy, the DM applies a 182 day sanction for the failure on 28th April 2014 as there has been a previous higher level sanctionable failure within 364 days which led to a reduction of Universal Credit of 91 days.

#### **Reduction Period**

The reduction period is the number of days that an award of Universal Credit is reduced for a sanctionable failure.

The reduction period usually takes effect from the first day of the assessment period in which you determine that a reduction should be imposed.

Where the reduction is not applied on that day (e.g. because of IT problems) it will take effect from the first day of the next assessment period.

Where the award is already subject to a reduction, it will be the first day in the assessment period for which the award is no longer subject to a reduction.

Once you have determined that a sanction applies, the reduction period is added to the claimant's Total Outstanding Reduction Period (TORP) and then applied to the claimant's award consecutively.

### Days to be deducted from the reduction period for a pre-claim failure

Where the sanctionable failure is a pre-claim failure, the reduction period is reduced by the number of days between the date of the sanctionable failure and the date of the claim for Universal Credit.

### Example

Stacy ceased paid work on 9 June 2014 and claims Universal Credit on 11 July 2014. The DM decides that she does not have good reason and imposes a higher level sanction of 91 days. However, as there are 31 days between the date she left her job and claimed Universal Credit, these days are deducted from the 91 day sanction period. Therefore, the reduction period is 60 days.

## Days to be deducted from the reduction period for a pre-claim failure where paid work is for a limited period

When the sanctionable failure is:

- a pre-claim failure

and

- relates to paid work that was due to last for a limited period

the maximum reduction period is the number of days from the day after the date of the pre-claim failure to the date the paid work would have ended.



Limited period means a specific period which is fixed in advance, for example a short term contract. If a claimant's employment was due to end 28 days after they left that employment, the maximum reduction period that can be imposed is 28 days.

The actual reduction period will be the maximum period of reduction minus the number of days between the date of the pre-claim failure and the date of the claim for Universal Credit.

### **Example**

Emily has a 6 month contract from 01/09/2014 to 28/02/2015. However, she leaves the contract on 04/01/2015 and claims Universal Credit on 12/01/2015.

The DM determines that Emily left her employment without good reason and that a higher level sanction should be imposed.

The maximum period of reduction is 55 days i.e. the number of days from 05/01/2015 – 28/02/2015.

7 days are deducted from this period for the days that she didn't claim Universal Credit i.e. 05/01/2015 – 11/01/2015.

Therefore, the actual reduction period imposed is 48 days.

Sanction period is shorter than the period between the date of a pre-claim failure and the date of claim

If the claimant:

- ceases paid work or loses pay voluntarily or through their misconduct, or
- fails to take up paid work

before claiming Universal Credit, a sanction will not be imposed if the appropriate sanction period is shorter than the period between the date of the failure and the date of claim.

However, where a sanction is imposed, the period between the date of the failure and the date of claim is deducted from the sanction period.

### **Example 1**

Fionnuala leaves her job on 14 February 2014. She claims Universal Credit on 17 May 2014. She has not previously claimed Universal Credit or Jobseeker's Allowance, so there are no previous sanctions.

The DM decides that Fionnuala did not have good reason for leaving her job. However, a sanction is not imposed as the period between the date of the sanctionable failure and the date of claim is more than 91 days.

## Example 2

Dermot is receiving Universal Credit. On 25 November 2013 he refuses the offer of a job. The DM decides that Dermot did not show good reason and imposes a 91 day higher level sanction.

On 6 January 2014 Dermot starts a full-time job. On 22 July 2014 he claims Universal Credit again and states that he was sacked from his job on 7 March 2014.

The DM decides that Dermot lost his job through misconduct and imposes a higher level sanction (escalation applies). This is because the period between the date of the sanctionable failure (136 days) and the date of claim is shorter than the applicable sanction period (182 days).

The actual sanction length is 46 days, as the period between Dermot being sacked and claiming Universal Credit is deducted from the applicable sanction period.

## Total Outstanding Reduction Period

When a sanction period is decided it is added to the Total Outstanding Reduction Period (TORP).

The TORP is the total number of days for which a reduction should apply to a claimant but which have not yet been applied to their award.

The TORP is limited to 1095 days. Where imposing a reduction period for a sanctionable failure means that the TORP would exceed 1095 days, the number of days in the reduction period is adjusted to ensure that this limit is not exceeded.

### Example

Bryony has had two higher-level sanctions of 91 days and 182 days imposed on her Universal Credit award since it began on 21/05/2013. The reduction period began 21/08/2013, and is due to end on 20/05/2014.

Bryony fails to undertake a MWA work placement for no good reason on 15/04/2014. On 24/04/2014, the DM decides to impose a higher-level sanction.

The 182 day higher-level sanctionable failure is in the 364 days preceding the current failure, therefore the sanction period is 1095 days.



However, as at 24/04/2014, the TORP is 27 days, i.e. at the end of the AP preceding that in which the decision is made. Therefore, the DM imposes a reduction period of 1068 days.

## Assessment Period

An assessment period begins with the first date of entitlement to Universal Credit and runs for a period of one month. Each subsequent assessment period of one month will start on the equivalent day of that first date of entitlement that falls in the following months.

### Example

William is entitled to Universal Credit from 4 September 2014. His first assessment period is a month and runs from 4 September 2014 to 3 October 2014. His next assessment period begins on 4 October 2014 and ends on 3 November 2014.



The following pathway leads to further information on assessment periods:

DWP Home Page >> A - Z >> A >> Advice for Decision Making >> Universal Credit (UC) Chapters >> E - Universal Credit: Basic Entitlement, Awards And Restrictions >> E2 - Benefit unit, awards and maximum amounts.

## Indicative daily reduction rate

The daily reduction rate is the amount by which a claimant's Universal Credit is reduced when a sanction has been imposed. The daily reduction rate for each type of claimant will be calculated each time Universal Credit is uprated.

For higher, medium and low level sanctions the daily reduction rate is calculated by multiplying the standard allowance by 12 and dividing the result by 365. This amount is then rounded down to the nearest 10 pence. In practical terms this will mean a 100% reduction of a claimant's standard allowance.

### Example

The standard monthly allowance for a single claimant aged 27 is £317.25 per month. This amount multiplied by 12 and divided by 365 is £10.40.



The daily reduction rate depends on the claimant's age and circumstances on the last day of each assessment period. Therefore, when deciding the sanction, you can only decide the *indicative daily reduction rate*.

The actual daily amount that is applied will change if the claimant's circumstances change or if their standard allowance changes.

## When a 40% reduction applies

The daily reduction rate will be 40% of the rate above if, at the end of the assessment period, any of the following circumstances apply:

- the claimant is aged 16 or 17, or
- the claimant is subject to no work-related requirements because:
  - they are a responsible carer for a child under the age of 1, or
  - they are a responsible foster parent of a child under the age of 1, or
  - claimants who adopt a child and it is 52 weeks or less since:
    - the date that the child was placed with the claimant; or
    - if the claimant elected that the 52 weeks should run from a date within 14 days before the child was expected to be placed, that date
  - the claimant is pregnant and within 11 weeks before confinement, or was pregnant and 15 weeks after confinement; or

- the claimant is subject to work-focused interviews only.

The 40% reduction rate is calculated by taking 40% of the amount.

### Nil reduction applies

The daily reduction rate is nil if, at the end of the assessment period, the claimant is subject to no work-related requirements because they have limited capability for work and work related activity.

### When a reduction is to be terminated

There are certain circumstances when a reduction that has been imposed for a sanctionable failure will be terminated.

The reduction will be terminated if:

- since the date of the most recent sanctionable failure which resulted in a reduction being imposed, the claimant has been in paid work for at least 26 weeks **and**
- their weekly earnings were at least equal to their individual threshold, **or**
- the threshold if they are employed under a contract of apprenticeship

The termination will take effect from:

- the beginning of the assessment period in which these conditions fall, **or**
- where these conditions fall outside a period of entitlement to UC, the first assessment period of any subsequent award



Note: The 26 weeks does not have to be one continuous period. It can also be several short periods of paid work which, when added together, amount to at least 26 weeks.

### Example

On 18.11.13 Ben fails without good reason to apply for a vacancy and the DM determines that, as this is his third higher level failure, a 1095 day reduction is appropriate. The reduction period is imposed from 04.12.13 – 02.12.16.

On 02.01.14 he starts work. When he receives his first wage at the start of February, Ben's award of Universal Credit terminates because the level of his earnings mean that no Universal Credit is payable.

Ben's employment ends on 30.09.14 and he makes a further claim to Universal Credit on 01.10.14. The TORP of the previous sanctionable failure is not applied to his new award as he has been in work for at least 26 weeks and his earnings exceeded his individual threshold for Universal Credit.

### Joint claim couples

In the case of joint-claim couples each joint claimant is considered individually for the purposes of determining the daily reduction rate and half of any applicable rate is applied to each joint claimant accordingly.



The following pathway leads to the standard daily reduction rates in Advice for Decision Making (ADM):

DWP Home Page >> A - Z >> A >> Advice for Decision Making >> Universal Credit (UC) Chapters >> K - Universal Credit: Sanctions >> K9: Amount of reduction

## Universal Credit, ESA and JSA sanctions

Where a claimant is or was entitled to ESA or JSA and had a sanction imposed on that award and becomes entitled to Universal Credit, any outstanding balance of the ESA or JSA sanction can applied to the Universal Credit award.

An outstanding ESA or JSA sanction can only be applied to a Universal Credit award if the sanction deduction was in effect on the ESA or JSA claim before the claimant moved to Universal Credit.

A sanction cannot be implemented on a Universal Credit award when a doubt arose on an ESA or JSA case but the DM did not make a decision before the claim ended, or when the DM made a 'reserved' decision.



There is no legislation in place to transfer IS/IB/ SDA labour market conditionality sanctions to UC claims.

For example, sanctions for non-attendance at Work Focused Interviews or failure to agree a mandatory action plan. These will cease to have effect when a claimant makes a Universal Credit claim or joins a Universal Credit claim.

## Period of Sanction

The period of the sanction is the number of days which applied to the claimant under ESA or JSA rules excluding:

- any days which have resulted in a reduction of the amount of ESA or JSA; and
- if the ESA or JSA award has terminated, any days between the end of that award and the beginning of the Universal Credit claim

The balance of a JSA/ESA sanction transferred to UC should be the first TORP.



### **Example 1**

Jeremy is entitled to JSA. On 25 March 2013 he refuses to undertake a MWA work placement without good reason. The DM imposes a higher level sanction of 13 weeks, which begins on 6 April 2013. Jeremy's JSA award terminates from and including 8 May 2013.

On 12 June 2013 Jeremy claims Universal Credit.

His JSA award was reduced for 32 days, and there are 35 days between the end of the JSA award and the beginning of the Universal Credit award. Therefore, a higher level sanction period of the remaining 24 days is imposed on Jeremy's Universal Credit award.

### **Example 2**

David is entitled to JSA, and the DM has determined that a medium level sanction of 4 weeks should be imposed as David has not shown that he had taken all reasonable action to look for paid work. The reduction began on 17 April 2014.

On 2 May 2014 David is joined by his partner Justine, and they claim Universal Credit as joint claimants from that date.

Their Universal Credit payments are reduced for 13 days, the balance of the terminated period of 28 days.

## Escalation

Where an ESA or JSA sanction becomes a Universal Credit sanction and:

- there is a later sanctionable failure, **and**
- the ESA or JSA sanction is equivalent to a Universal Credit sanction with the same reduction period

the ESA or JSA sanction is treated as a Universal Credit sanction for the purposes of calculating the reduction period.

### Example

Olga is entitled to JSA from May 2013. A higher level sanction of 91 days was imposed in June 2013 after the DM determined that she had failed to apply for a job without good reason.

Olga claims Universal Credit in November 2013 when her award of JSA ends.

She is required to take part in the MWA scheme as part of a work preparation requirement, but refuses to join the scheme. The DM determines that Olga had no good reason for the failure, and imposes a reduction.

As the JSA higher level failure in June;

- is at the same level as the current failure; and
- occurred in the 364 days but not in the 13 days immediately preceding the current failure

the reduction period for the MWA sanctionable failure escalates to 182 days.

### Suspension of a reduction where a fraud penalty applies

A reduction period for a sanctionable failure is suspended for any period during which a fraud penalty also applies to that award of Universal Credit.

The reduction stops on the day before the fraud penalty begins, and begins again on the day after that period ends.

#### **Example 1**

On 8 December 2014 Mo fails without good reason to comply with a work preparation requirement and the DM determines a reduction period of 7 days is appropriate for a first low level failure.

Mo already has a fraud penalty imposed on his Universal Credit of 26 weeks which is due to expire on 4 March 2015. The reduction period is suspended and can be imposed from 5 March 2015.

#### Example 2

Mary has a 182 day reduction period imposed on her Universal Credit from 6 January 2015. On 15 April 2015 a fraud penalty of 26 weeks is imposed on her claim to Universal Credit. The reduction period is suspended from 15 April 2015 to 13 October 2015. An 83 day reduction period will be imposed (the balance of the reduction period still to be served) from 14 October 2015, the day after the fraud penalty ends.



This situation will not be possible in “Live Service”, where the sanction will be resumed from the next assessment period.



The following pathway leads to further information on Fraud Penalty in Advice for Decision Making (ADM):

DWP Home Page >> A - Z >> A >> Advice for Decision Making >> Universal Credit (UC) Chapters >> K - Universal Credit: Sanctions >> K8: When a reduction is to have effect

## Summary

This topic included:

- Identifying sanction level
- Escalation
- Determine reduction period
- TORP
- Daily Reduction Rate

End of Topic