

UCDMA001Part A Sanctions Workbook

Topic 02 – Work-Related Groups

May 2017

Timing

It will take approximately 25 minutes to complete this topic.

Learning Objectives

When you complete this topic you will be able to:

- state the four work-related groups
- identify which group a claimant falls into
- state the six labour market regimes
- state how the conditionality earnings threshold is calculated; and applied
- state how the administrative earnings threshold is applied.

Learning Points

This topic covers the following areas:

- work-related groups
- labour market regimes
- Conditionality Earnings Threshold
- Administrative Earnings Threshold

Work-Related Groups

As you know, one of the main elements of Universal Credit is to enable significantly greater numbers of people to move into and progress in employment.

Each Universal Credit claimant will fall into a work-related group.



These are also known as ‘conditionality’ groups or ‘work-related requirement’ groups.

Legislation refers to them as work-related groups.

The group a claimant is in will be in accordance with their individual characteristics. The group may affect the sanctions that can be imposed, so you will need an understanding of them.

There are four work-related groups.



From your previous learning, can you remember what the four work-related groups are called?



They are:

- no work-related requirements
- work-focused interview requirements only
- work focussed interview and Work preparation only requirements
- all work-related requirements

The group a claimant is in defines which work-related requirements can and cannot be imposed on them.

The expected requirements for each group vary.

The work-related requirements are:

- a work-focused interview requirement
- a work preparation requirement
- a work search requirement
- a work availability requirement

There are also connected requirements for the claimant to report changes in circumstances.

They must report immediately anything that affects their ability to carry out requirements. They must also provide information or evidence of undertaking or completing requirements.



All claimants must comply with the work-related requirements they have accepted on their Claimant Commitment.

You have previously learned about each of the work-related groups. Let's review the information about them now.

No work-related requirements group

There are certain claimants who cannot have work-related requirements imposed on them.



When might a claimant be placed in the no work-related requirements group?

Try to list as many circumstances that may lead to the claimant being placed into this group.

Once you have done so, compare your answers to those on the next page.



The claimant is placed in this group because they are of a prescribed description or their earnings are equal to or exceed their individual threshold.

This group applies to claimants who:

- have Limited Capability for Work who also have Limited Capability for Work Related Activity
- have regular and substantial caring responsibilities for a severely disabled person
- are the responsible carer or foster parent for a child under the age of one
- have reached the qualifying age for State Pension Credit
- have caring responsibilities for one or more severely disabled persons for at least 35 hours a week but is not entitled to Carer's Allowance and it would be unreasonable for the claimant to comply with a
 - work-search requirement even a limited requirement and
 - work availability requirement event a limited requirement

- are pregnant and it is 11 weeks or less before the expected week of confinement
- were pregnant and it is 15 weeks or less since the date of confinement
- are adopters where
 - it is 12 months or less since the date that the child was placed with the claimant, or
 - the claimant chose that the 12 months should run from a date within 14 days before the child was expected to be placed with them. Work-related requirements should not be imposed from that date
- are in a certain type of education and do not have to meet the education condition of entitlement for Universal Credit where
 - they are aged under 21, in non-advanced education and without parental support or
 - they are receiving education and have student income in relation to that course



The conditionality earnings threshold is covered later in this topic.

Any households that have earnings over the conditionality earnings threshold amount will be placed in this group.

A change of circumstances may result in the claimant moving into another work-related group. If that happens they will need to accept an updated Claimant Commitment with work-related requirements relevant to their new group.

Work-focused interview requirements only group

This group applies to:

- lone parents or nominated responsible carer in a couple with a child aged one
- a responsible foster parent for a child aged at least one year old
- a claimant who is the responsible foster parent of a qualifying young person with proven care needs
- a claimant who is a foster parent, but not the responsible foster parent of a child or qualifying young person with proven care needs; or

- the claimant is a responsible foster parent and has no foster child currently with them, but expects to have a foster child placed with them within eight weeks

Claimants who have become a friend or family carer in relation to a child within the last 12 months, and are the responsible carer for that child will be placed in the work-focused interview only group.



What requirements do think are placed on the claimants in this group?

Make a note of your answer before comparing it to the one on the following page.



Claimants placed in this group must attend one or more work-focused interviews.

They will be required to attend regular work-focused interviews which will help them focus on their future in work and the steps they can take now to prepare.

Claimants in this group will also be required to provide any information and evidence requested, and to confirm their compliance as specified.

They are not required to take up paid employment or engage in any work preparation activity.

Work-focused interview and work preparation requirements only group

Claimants placed in this group must attend work-focused interviews and prepare to move into work. However, they are not required to take up paid employment or engage in any work search activity.



Which claimants will be in this group?

Note your answer then compare it to the one overleaf.



This group applies to:

- claimants who have been determined at the Work Capability Assessment (WCA) as having limited capability for work

Claimants in this group will be set requirements which help keep them motivated by preparing them to return to work as soon as they are able to, taking into account their capability.



The following pathway leads to further information on claimants who have limited capability for work. See Advice for Decision Making (ADM):

DWP Home Page >> A-Z >> A >> Advice for Decision Making >> Universal Credit (UC) Chapters >> G - Universal Credit: Capability for work or work-related activity >> G2: Limited Capability for work

All work-related requirements group

If a claimant does not fall into any of the other groups they will be placed in the all work-related requirements group.

This will include claimants who:

- are awaiting a WCA; or
- are found fit for work by WCA and are not treated as having Limited Capability for Work, but are awaiting reconsideration or appealing this outcome

Claimants in this group are expected to look for, and be available for work. They will be required to attend work-focused interviews and are also subject to work preparation requirements.

However, work coaches may use their discretion to adapt or limit these work-related requirements to fit around the claimant's capabilities. This might include suspending work-related requirements temporarily in some circumstances.

Labour Market Regimes

There are six Labour Market regimes which are based around the four conditionality groups. The regime structure has been developed with the expectation that claimants will move between regimes.

This may be determined by an increase or decrease in earnings or a change in circumstances, for example the birth of a child or recovery from a health condition.

The six regimes are:

- No Work-Related Requirements – for those too sick to work, over State Pension Age or a lead carer who has a child aged under one. They are legally defined as ‘No Work-Related Requirements’
- Working enough (no work-related requirements) – for those who are either earning over the individual earnings threshold or in a household whose earnings are over the household earnings threshold. This means that there may be some out of work claimants in this regime – legally defined as ‘No Work-Related Requirements’
- Work Preparation – for those who are expected to work in the future but are not expected to look for work at this stage. This regime is legally defined as ‘Work Preparation Requirements only’
- Work Focused Interview – for those who are nominated as the lead or responsible carer for a child or children and are only required to attend a Work Focused Interview. This regime is legally defined as ‘Work Focused Interview only’

- Intensive Work Search – for those not working and those who are working but earning very low amounts. They are legally expected to take action to secure work and the regime is legally defined as ‘All Work-Related Requirements’
- Light Touch – for those who are in work but earning less than could reasonably be expected based either on their household or individual earnings. This includes those out of work but have a working partner on low earnings, for example below the household Conditionality Earnings Threshold. They are legally expected to take action to secure more or better paid work – legally defined as ‘All Work-Related Requirements’



If a claimant has characteristics that mean they could fall into more than one regime, the regime with the lowest conditionality intensity will always apply.

Claimants in the light touch regime are required to participate in two work search interviews. This will usually be by telephone (only re-arranged as face to face when telephone contact is unsuccessful) at day one and week eight in the regime. There are no further mandatory requirements.

Claimants are not required to attend further Work Search Reviews and all other work-related activity is agreed as part of a voluntary action plan.

Failure to successfully conduct a telephone interview with the claimant is not a sanctionable failure. However, if the claimant fails to participate in a telephone interview, they will be reminded of their obligations. If they still fail to participate, sanction action can be taken.

These regimes are both legally defined as 'All Work-Related Requirements'.

Conditionality Earnings Threshold

As we have found out, in-work claimants fall into work-related groups in the same way as any other claimant.

However, it would not be appropriate to apply conditionality to claimants who are already working as much as can be reasonably expected.

To prevent this, there is a conditionality earnings threshold.

Individual Earnings Threshold

The individual conditionality earnings threshold for a claimant is the amount that a worker of the same age and circumstances would be paid at the National Minimum Wage (NMW) hourly rate multiplied by the claimant's expected hours.

The expected hours will be:

- 16 hours per week for claimants subject to:
 - the work-focused interview group only; or
 - the work-focused interview and work preparation requirement; or
- the expected number of hours of work per week for claimants who would normally be subject to all work-related requirements



For full-time work, the expected number of hours is set at 35.

Claimants will be subject to no work-related requirements:

- If they have earnings which exceed their conditionality earnings threshold
- If they are in a couple and the couple's earnings exceed their joint conditionality earnings threshold

Claimants with earnings under the conditionality earnings threshold will fall into the all work-related requirements group (unless their circumstances place them in one of the other work-related groups).

Example 1

Sajid is in the All Work-Related Requirements group. His expected number of hours is 35 a week. The appropriate NMW rate for Sajid is £6.50 an hour.

Sajid's individual earnings threshold is $£6.50 \times 35 = £227.50$ a week. This means that if Sajid has earnings at £227.50 or above a week, a work search requirement should not be imposed on him.

Example 2

Kate and Dave are both aged 26, and are both in the All Work-Related Requirements group. Their expected hours of work are 35 hours a week each. The appropriate NMW rate for Kate and Dave is £6.50 an hour each. Neither will be subject to work-related requirements if the household earns the equivalent of 70 x NMW for their age group, that is £455.00.

Example 3

Jane is aged 20 and is in the Work-Focused Interview and Work Preparation group. Her expected hours have been limited to 16 a week due to a chronic health condition. The appropriate NMW rate for Jane is £5.13 an hour.

Jane's individual earnings threshold is $£5.13 \times 16 = £82.08$ a week.



The following pathway leads to further information on the Earnings Threshold. See Advice for Decision Making (ADM):

DWP Home Page >> A - Z >> A >> Advice for Decision Making >> Universal Credit (UC) Chapters >> J - Universal Credit: Claimant Responsibilities >> J2: Work-related groups.



The National Minimum Wage is usually updated every October. These examples use the rates for 2014.

Administrative Earnings Threshold

Initially under Universal Credit, there will be no work-related requirements for claimants with earnings which would lead them to be disentitled from legacy out of work benefits.

The focus of conditionality will remain on claimants who would be eligible for JSA, ESA or Income Support in the legacy system.

Where earnings are above the threshold, full conditionality will not be imposed. This is regardless of the claimant's capability and circumstances, so will apply equally to both claimants with or without children.



Check 'About Universal Credit' for the current amount of the Administrative Earnings Threshold.

Summary

In this topic you have learned about:

- Work-related groups
- Labour market regimes
- Conditionality Earnings Threshold; and
- Administrative Earnings Threshold

End of Topic