

DWP Central Freedom of Information Team

e-mail: freedom-of-information-request@dwp.gsi.gov.uk

Our Ref: VTR 5635

17 December 2013

Dear Glenys Harriman,

Thank you for your Freedom of Information request received 29 November 2013. You asked:

If a claimant is on UC he/she could be subject to full work related requirements (and face sanctions for failure to keep to them) if they are earning less than their individual "threshold" normally 35 hrs pw @ minimum wage.

What happens if someone is on a zero hours contract and doesn't know from day to day how many hours they will work? Will the DWP make an assumption that during that week there will be no work (and therefore a requirement to look for work for 35 hrs during that week) until such point as work arises? Or is there some other method of deciding?

Firstly I will explain a little about the Freedom of Information Act. The Act provides people with a right of access to recorded information held by public authorities such as DWP. The Act does not extend to requests for views, comments or questions about a particular matter. Your request can be in the form of a question, but DWP does not have to answer if this would mean creating information that is not already held in a recorded form.

However, in the interests of customer service, we have done our utmost to provide information we believe to be most relevant.

We expect claimants to do all they reasonably can to look for and move into paid work. This is simpler under Universal Credit, which is payable in and out of work and ensures that entitlement will not end when earnings pass particular thresholds until a claimant is earning enough to leave Universal Credit altogether. This reduces the risks associated with a move into employment that exists in the current system.

As you have identified, a conditionality framework sets out the basic structure of policy "rules" that govern the application of work related requirements. The cornerstone of the conditionality framework is the conditionality group a claimant falls into (which applies to both in work and out of work claimants) and defines what requirements can be imposed based on individual circumstances.

Where a claimant has earnings below the conditionality earnings threshold they will fall into the All Work Related Requirements group and will normally be expected to meet requirements to look and be available for work. Any other work-related requirements can also be imposed.

A conditionality earnings threshold is in place to ensure that claimants earning above a certain level will not be asked to carry out work-related activity. This will normally be 35 hours x NMW). Claimants earning less than the conditionality earnings threshold may be asked to carry out relevant actions to increase their earnings (based on individual circumstances such as health, caring responsibilities etc.). An administrative earnings threshold has been introduced to ensure that only those claimants who would currently be eligible for the existing out of work benefits will fall into an active labour market regime. The threshold has been set at £330 a month for a single person and £525 a month for a couple (based on gross taxable pay).

Universal Credit is designed to be responsive to fluctuations in earnings and will reflect the amount earned by a claimant each month. Monthly reporting through Real Time Information allows Universal Credit to be adjusted on a monthly basis ensuring that if a claimant's income falls, they will not have to wait several months for a rise in their award.

For conditionality, those claimants with variable earnings, or who move in and out of work, an assessment will be made of their future earnings over a sustained period. For the purposes of calculating the Universal Credit award a sustained period means:

- one month; or
- where a claimant's earnings fluctuate over an identifiable cycle up to 12 months, the duration of one such cycle; or
- 3 months where a claimant's earnings fluctuate, but not over an identifiable cycle.

Consideration will be given to whether it is reasonable to assume that the pattern will continue or that the claimant will be working over the coming period and evidence provided by the claimants. This could include contracts for future work and/or a review of past earnings.

We expect claimants to do all they reasonably can to look for and move into paid work. If a claimant turns down a particular vacancy (including zero hour contract jobs) a sanction may be applied but we will look into the circumstances of the case and consider whether they had a good reason.

If you have any queries about this letter please contact me quoting the reference number above.

Yours sincerely,

DWP Central Fol Team

Your right to complain under the Freedom of Information Act

If you are not happy with this response you may request an internal review by e-mailing freedom-of-information-request@dwpgsi.gov.uk or by writing to DWP, Central Fol Team, Caxton House, Tothill Street, SW1H 9NA. Any review request should be submitted within two months of the date of this letter.

If you are not content with the outcome of the internal review you may apply directly to the Information Commissioner's Office for a decision. Generally the Commissioner cannot make a decision unless you have exhausted our own complaints procedure. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow Cheshire SK9 5AF www.ico.gov.uk