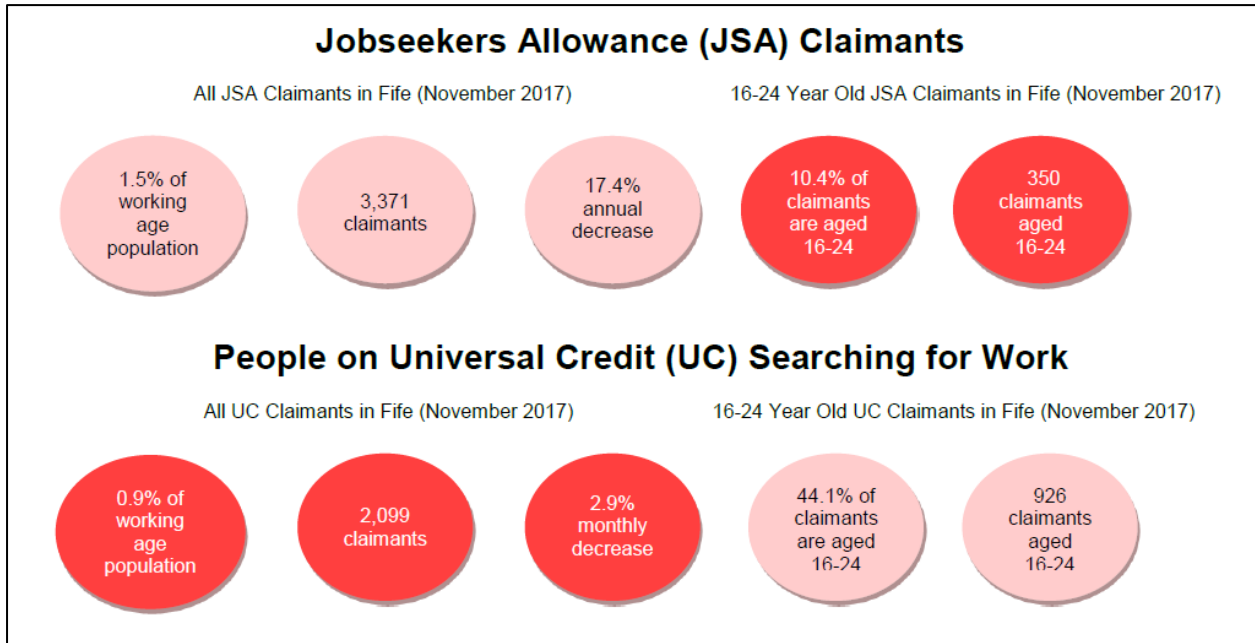


## Kirkcaldy welfare reform statistics and sanction data

The recent full rollout of Universal Credit in Fife, on 6<sup>th</sup> December 2017, saw the number of people aligned to this benefit greatly increase, following on from a staged rollout that had been operating for some years. Prior to this change, the Fife claimant figures for November 2017 were as follows:<sup>1</sup>



**Figure 1. Fife JSA and UC claimants, November 2017 (Fife Economic Partnership/Monthly Economic Update)**

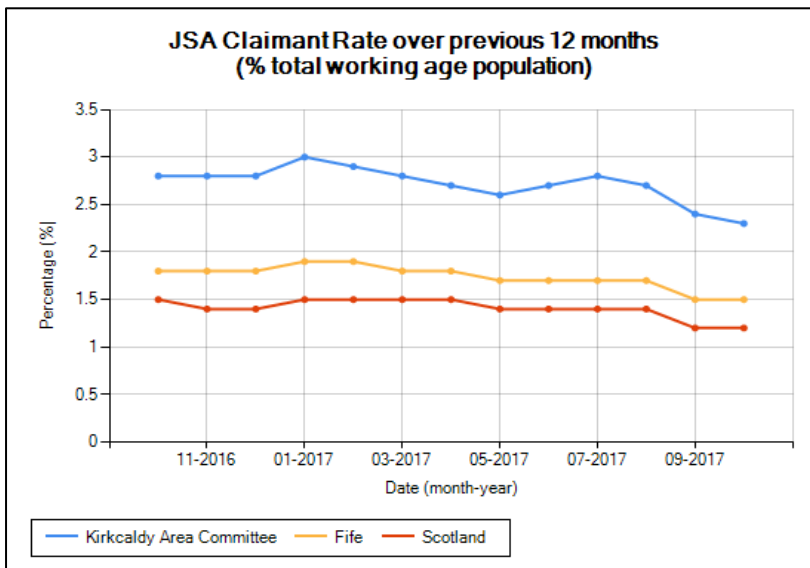


Figure 2 highlights Kirkcaldy specific information, which reveals that the area has historically had JSA claimant rates consistently above the Fife average.

While Fife, Scotland and Kirkcaldy have all seen a decrease in claimant rates since August 2017, Kirkcaldy's decrease has continued into October 2017 while the other areas have levelled off.

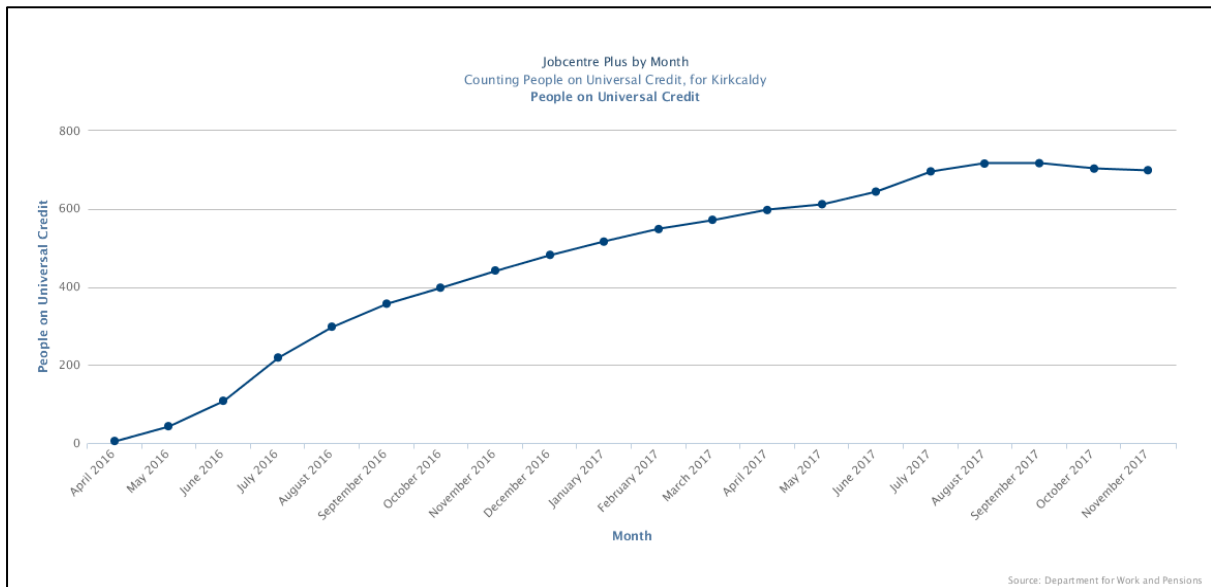
**Figure 2. JSA claimant rate, Oct 16 – Oct 17**

Kirkcaldy's above-average claimant rate is borne out when its population is put in a Fife context. Kirkcaldy contains 851 of Fife's 3370 JSA claimants – a total of 25%. This is higher than Kirkcaldy's population share, with the committee area accounting for approximately 16% of Fife's working age population.

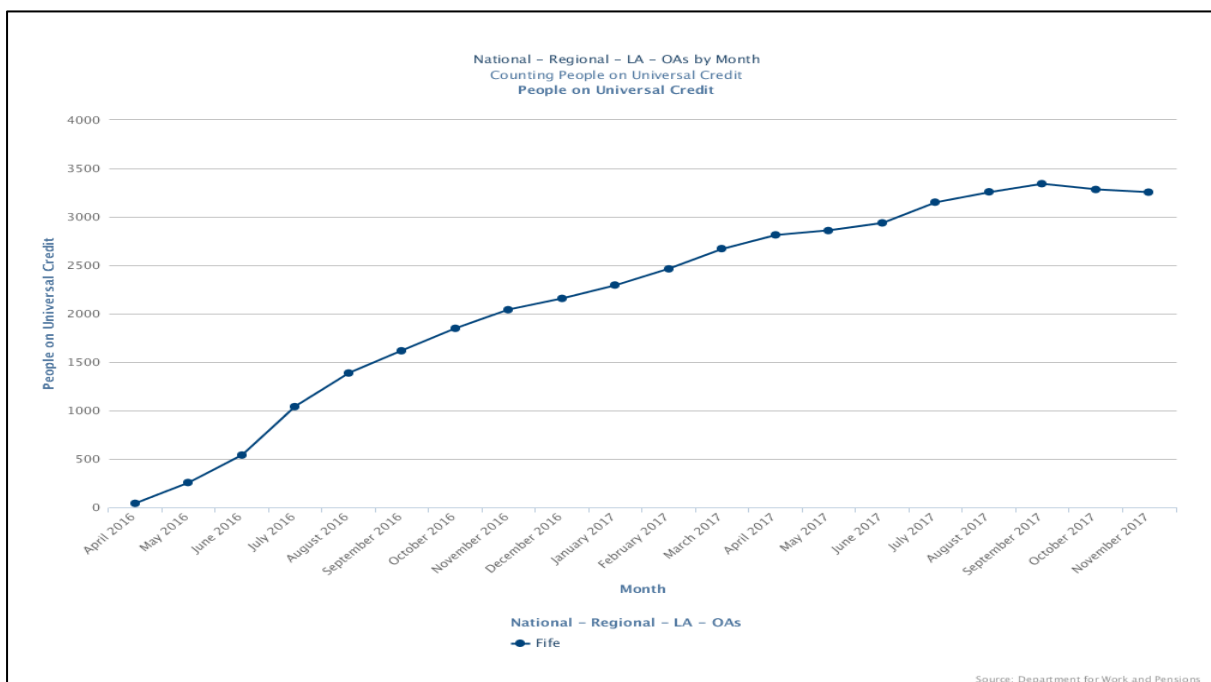
<sup>1</sup> Fife Economy Partnership monthly update, November 2017

**a) Universal credit**

Figure 3 highlights how the number of people in Kirkcaldy in receipt of Universal Credit has gradually increased, since it was first introduced in April 2016. While numbers have remained relatively stable between August and November 2017 at approximately 700, figures will increase significantly once the large increase in claimants in December 17 is captured.

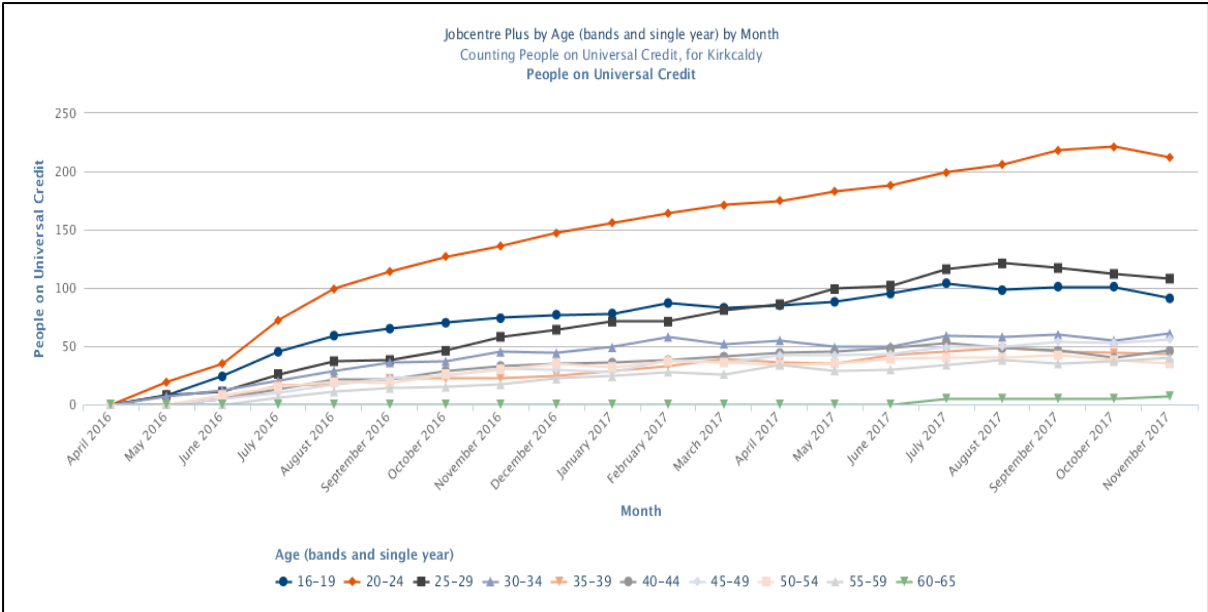


**Figure 3. People on Universal Credit (Kirkcaldy), April 16 – November 17**



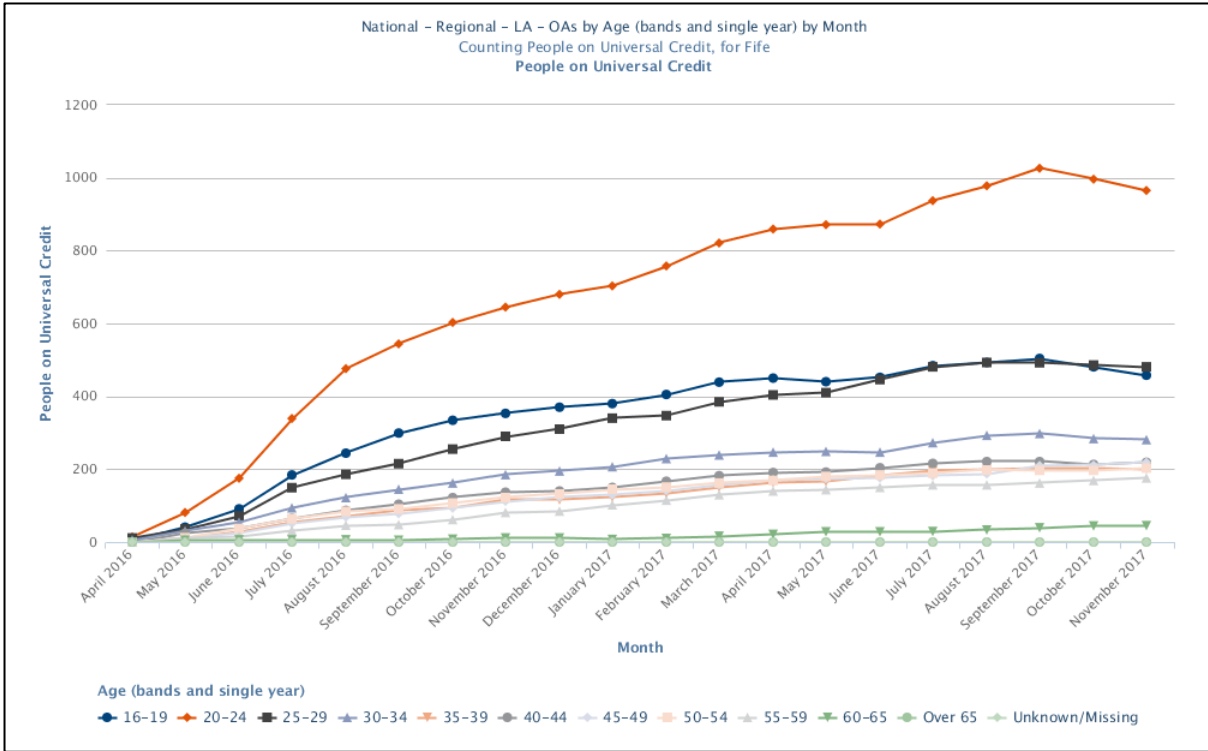
**Figure 3(a). People on Universal Credit (Fife), April 16 – November 17**

As the two graphs show, figures for both Fife and Kirkcaldy Universal Credit claimants have followed a similar upwards trend over this period. The Kirkcaldy proportion of Fife claimants has remained remarkably stable over this period, consistently accounting for between 17.3% and 18.3% in the months since July 2016.



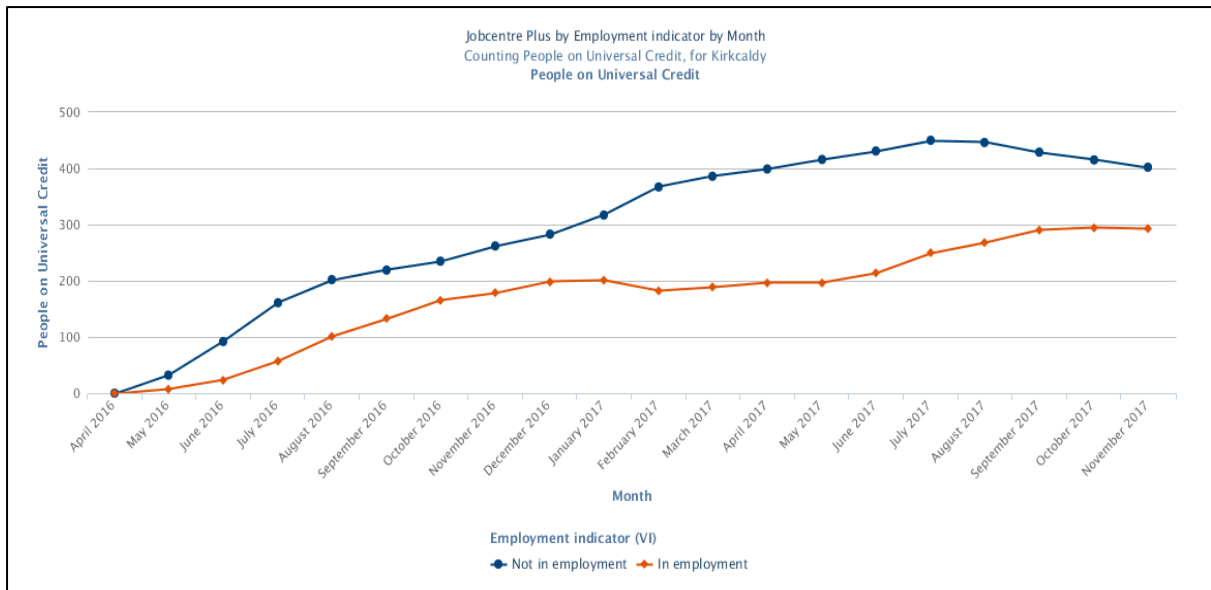
**Figure 4. Age range of people on Universal Credit (Kirkcaldy), April 16 – November 17**

As figure 4 highlights, much of the increase in Universal Credit has been due to new, single claimants being moved on to the system. In November 2017 the 20-24 age group made up 30% of all people within Kirkcaldy on Universal Credit. The next largest group, made up of those aged 25-29, only accounted for 15%.



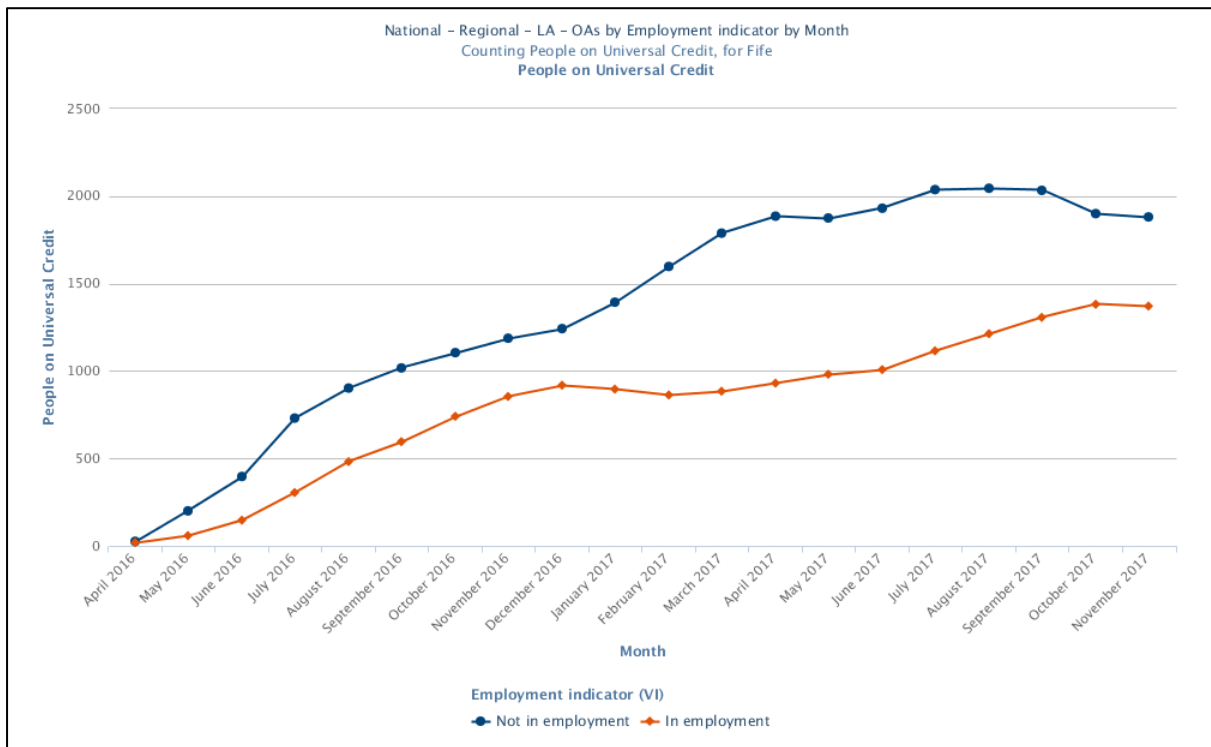
**Figure 4(a). Age range of people on Universal Credit (Fife), April 16 – November 17**

As shown in figure 4a the Fife trend is similar to Kirkcaldy, with the 20-24 age group making up the largest proportion of Universal Credit Claimants. One slight difference is that in Kirkcaldy, those aged 25-29 have become the second-largest claimant group from May 2017 onwards. On a Fife level, there is a greater number of claimants aged 16-19, with the two age groups closely tied together in total numbers.



**Figure 5. Employment status of people on Universal Credit (Kirkcaldy), April 16 – November 17**

The original intent of Universal Credit was to ‘make work pay’, and it is therefore not surprising that a significant proportion of those receiving the benefit in Kirkcaldy are currently in employment, amounting to 42% of claimants in November 2017. The gap between those in employment and not has reduced since July 2017, and it remains to be seen how the full rollout of Universal Credit will affect this trend.

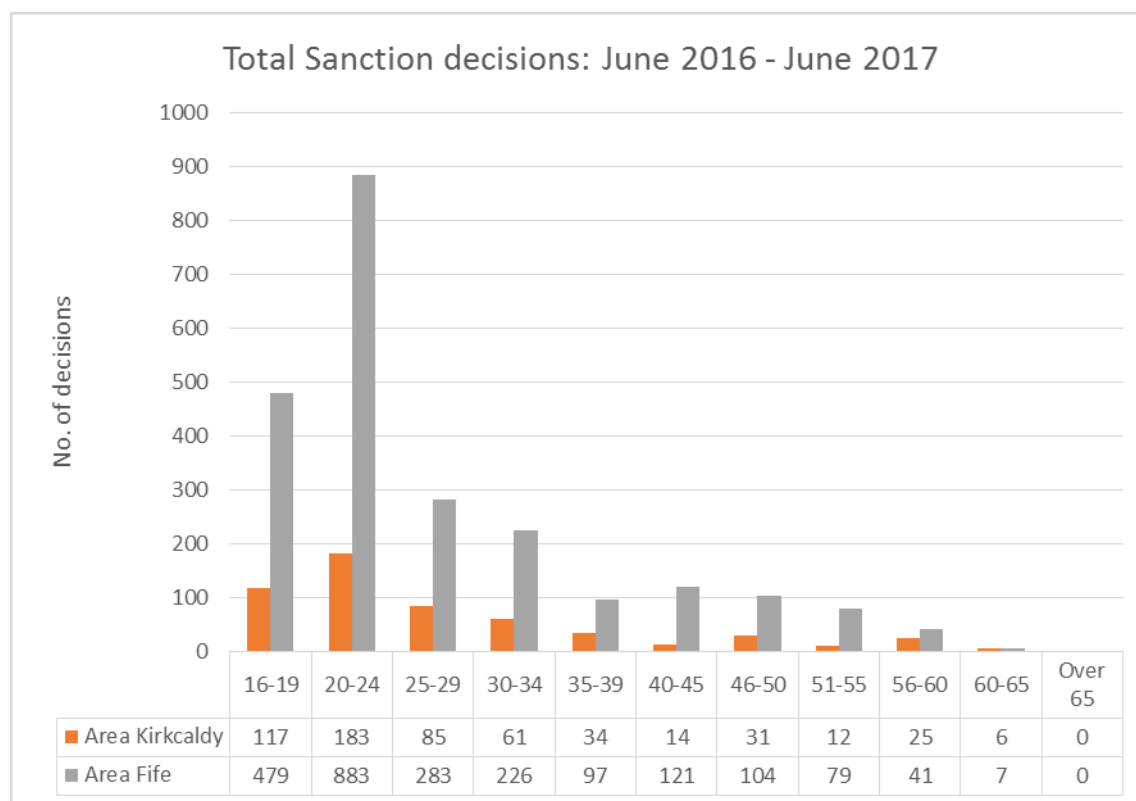


**Figure 5(a). Employment status of people on Universal Credit (Fife), April 16 – November 17**

For employment status of claimants, the Fife pattern is again broadly similar to that seen in Kirkcaldy. For November 2017, both Fife and Kirkcaldy had 42% of Universal Credit claimants in employment.

**b) Universal Credit sanctions<sup>2</sup>**

Figure 6 and the accompanying table highlight the breakdown of sanctions levied against Universal Credit claimants, examining their distribution by age group across Fife and Kirkcaldy.



**Figure 6. Universal Credit sanctions by age group, April 16 – June 17**

While most age groups see a Kirkcaldy sanction total of approximately ¼ to 1/3 of the Fife total, this gap is vastly reduced when it comes to older age groups. For both the 56-60 and 61-65 age groups, Kirkcaldy sanctions make up the majority of the Fife total. However, it should be noted that due to the small number of sanctions for both these categories, they could be a result of multiple sanctions being amassed by a small number of individuals.

As the following table highlights, for every month between June 2016 and June 2017, over half of Universal Credit sanctions in Kirkcaldy were made against claimants aged under 25. This contrasts with JSA sanctions over the same period, where only June 2016 and November 2016 saw under 25s make up the majority of sanctioned claimants.

<sup>2</sup> Sanction data is taken from the DWP’s online *Stat-Xplore* database. It is important to note that this database only shows sanctions after any reviews, reconsiderations or appeals that may have taken place by the time that the data is published. Essentially, each sanction case only appears in the database once and is given its latest status at that time. So, for instance, a sanction may originally appear as an adverse decision, later change to a reviewed decision, and later still change to a reconsidered adverse decision. The result of this method of recording is that it is therefore not possible to use Stat-Xplore in order to obtain a reliable picture of the number of appeals and sanction changes.

	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May 2017	Jun-17	Total
16-19	5	5	5	10	6	14	13	5	26	12	..	8	12	117
20-24	..	5	..	7	14	18	24	23	19	19	13	17	29	183
25-29	..	..	7	..	6	5	11	9	25	13	6	6	8	85
30-34	..	..	..	6	6	12	5	7	7	8	..	..	5	61
35-39	..	..	..	6	..	..	11	..	6	..	..	..	..	34
40-44	..	..	..	..	..	5	..	..	..	..	..	..	..	14
45-49	..	..	..	..	..	..	7	..	6	5	8	5	9	31
50-54	..	..	..	..	..	..	5	..	..	..	..	..	..	12
55-59	..	..	..	..	..	..	..	..	..	..	..	..	7	25
60-65	..	..	..	..	..	..	..	..	..	..	..	..	6	6
Over 65	..	..	..	..	..	..	..	..	..	..	..	..	..	..
<b>Total</b>	13	14	16	30	32	55	70	50	87	55	28	37	71	560

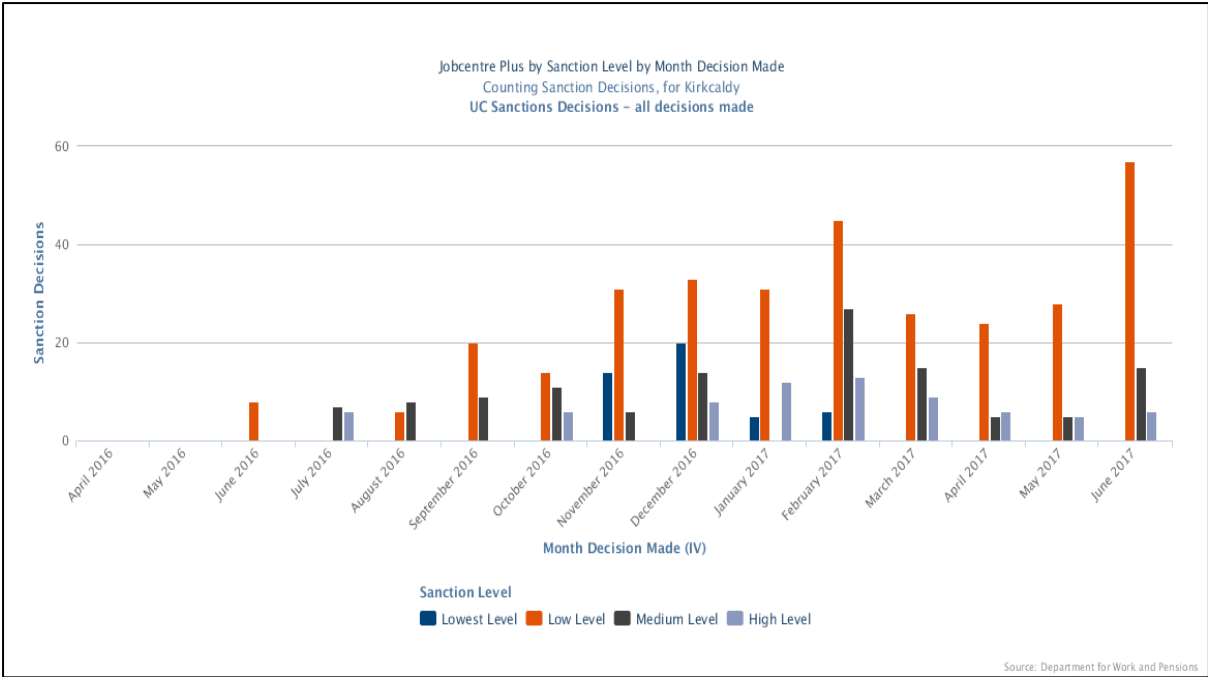
Nationally, while sanctions undoubtedly still play a major part in the welfare process, their number have dropped since their introduction under the Coalition Government. However, research suggests that Universal Credit claimants are now more likely than JSA claimants to be sanctioned, due to the lower age profile of current Universal Credit claimants. Again, it remains to be seen how the full roll-out of Universal Credit may affect this.

In a November 2017 briefing, David Webster highlighted that sanctions for people on Universal Credit were consistently higher than those on JSA.

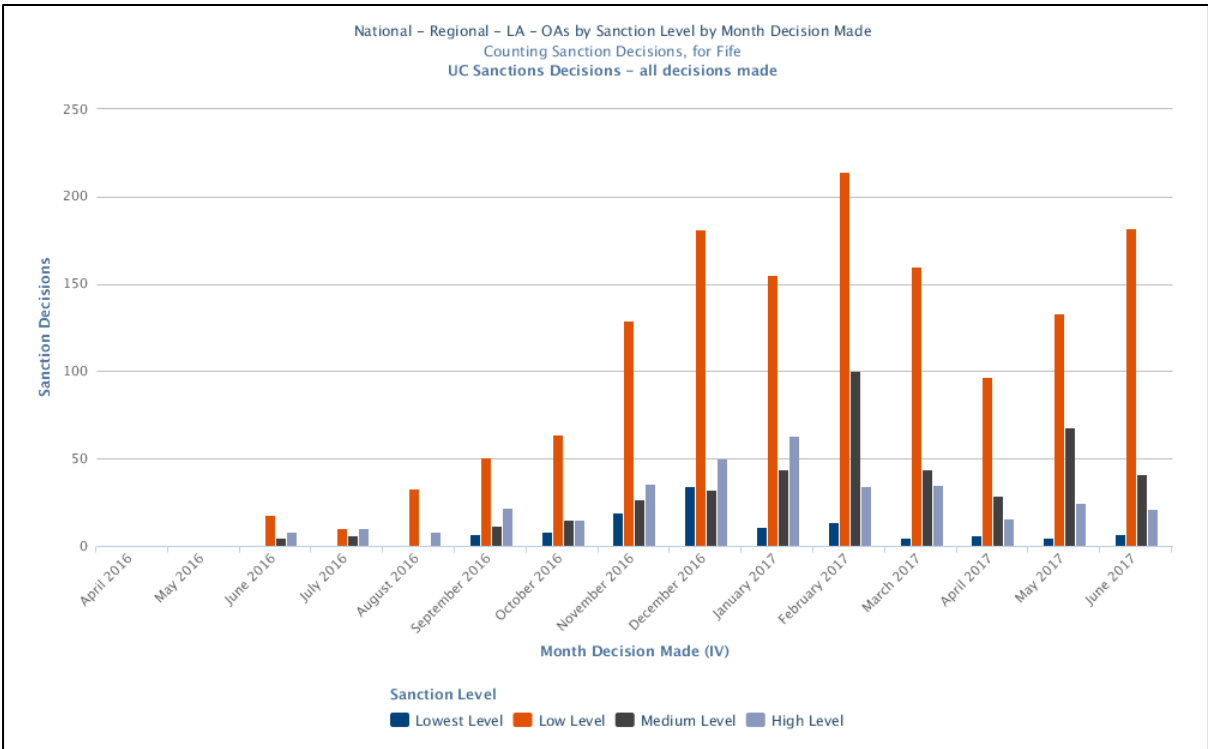
*“To explain the higher UC sanction rate, the DWP (2017b, p.4) states that under JSA, claimants not attending an interview will normally have their cases closed whereas under UC they are more often sanctioned. The reason for this is that UC claimants may be in receipt of other parts of UC, such as housing benefit and child credits, and therefore cannot have their cases closed. Another part of the explanation why the UC sanction rate is so much higher than JSA is that UC claimants tend to be younger, and younger people have a higher rate of sanction. But a chart in the August 2017 Briefing (Figure 5) showed that the mean monthly UC sanction rate after challenges is much higher than for JSA for every age group.”*

**To emphasise the scale of this, Webster pointed out that Universal Credit accounted for 69.5% of sanctions in 2017, despite having only 24.5% of all claimants subject to conditionality.**

*(David Webster, Benefit Sanctions Statistics: JSA, ESA, Universal Credit and Income Support for Lone Parents, November 2017)*

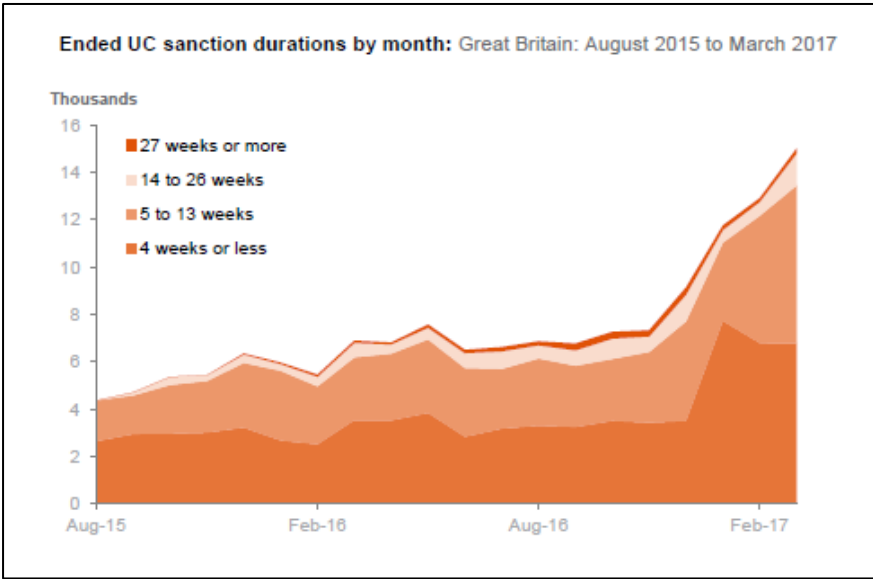


**Figure 7. Universal Credit sanctions (Kirkcaldy) by level of decision made, April 16 – June 17**



**Figure 7(a). Universal Credit sanctions (Fife) by level of decision made, April 16 – June 17**

While the majority of Universal Credit sanctions within Kirkcaldy have been recorded as low level (68% of sanctions being either low or lowest level), this still sees a higher proportion of medium level sanctions issued than has been the case under JSA. Over the same time period as shown in figure 7, low level sanctions for JSA accounted for 86% of the sanction total. If this trend continues after full Universal Credit rollout, the increased penalties – both monetary and in duration - that accompany higher level sanctions have the potential to create a significant adverse effect.



Data on the duration of Universal Credit sanctions is currently not available in StatX-plore, so DWP information on national trends has been used to provide an insight into trends to-date. This reveals that between August 2015 and March 2017, the median duration of a Universal Credit sanction was 28 calendar days.

**Sanctions completed by length of sanction**  
Aug 15 to Mar 17

Length of sanction	Sanctions (Thousands)	Percentage %
4 weeks and under	75.2	50
5 to 13 weeks	60.4	40
14 to 26 weeks	11.0	7
27 weeks and over	2.7	2
<b>Total</b>	<b>149.2</b>	<b>100</b>

\*An explanation of the median can be found under 'Durations' on page 3.

The significant number of sanctions at 4 weeks and under (50% of the total), is due to high referrals for the reason of Work-Focussed Interviews. In such cases, a sanction of between 7 and 28 days is typically applied.<sup>3</sup>

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**22/12/2017**

<sup>3</sup> 'Benefit sanctions statistics: Data to June 2017', (Department for Works and Pensions, November 2017)