

Annex 6A: Increasing the availability of flexible policy options for responding to the cost of living crisis, domestic violence, and the next pandemic (etc.)

A pressing question for 2022 and beyond is whether the Department for Work and Pensions believes it has any part to play in responding (flexibly) to that crisis – and the next one, and the next...

One of the early decisions made in Universal Credit was that DWP does not ask each joint applicant for their bank details. This may have made sense in the early days of building a working service; in 2022, the rationale for it is very much less clear.

If DWP were to ask all applicants for their bank details, the Department would have far greater flexibility and more options to be able to support individuals via UC when they (and the Government) need practical solutions, e.g. to the cost of living crisis.

The need for such flexibility, and options, has been demonstrated repeatedly:

During the pandemic, DfE screwed up¹ free school meals for those who needed them – commissioning a private contractor to set up and administer a voucher scheme for over 1.4 million children, *most of whom were already known to DWP*.

The Government's early responses to the cost of living crisis were limited to council tax rebates, a repayable energy bill 'discount', and discretionary payments to the neediest *administered by local authorities*,² because DWP had no means by which it could issue³ such payments.

A decade after the Welfare Reform Act, nine years after UC first launched, DWP still has no meaningful (discovery) mechanism *for financial control in domestic violence situations*.

That the "agile" digital mechanisms of UC still appear capable – after nearly a decade of development – of offering only the crudest of options, such as changing the overall level of UC, suggests DWP should give some thought to how its infrastructure could offer and enable more flexible choices.

The single most obvious way to achieve such flexibility across the system, requiring only the smallest of code changes, would be to request bank details from *every* UC applicant – thus allowing HMG the kinds of flexibility in England⁴ that the devolved administrations are seeking via other means.

¹ <https://www.nao.org.uk/report/investigation-into-the-free-school-meals-voucher-scheme/>

² <https://www.theguardian.com/money/2022/feb/03/energy-bills-rishi-sunak-discount-rebate-council-tax>

³ Government guidance was updated to clarify that DWP was "using a computer program *to identify who should be paid*", five months later, in early July: <https://www.gov.uk/guidance/cost-of-living-payment#full-publication-update-history>

⁴ For *how* to do this, [see Annex 6](#). For other reasons *why*, [see Annex 6B](#)