

Annex 6B: The single key requirement for more flexible payments in England; *collect Bank Details for all claimants*

Giving individuals a choice about where they are paid both replicates the world of work, and helps provide the dignity¹ that DWP claims to support.

DWP has told Parliament it would get to implementing separate payments² in its workload planning after 2020.³ Due to the disruptions that arose in 2020,⁴ and since, it is unsurprising that separate payments are still under debate now, in 2022.

Given separate payments are already in DWP's roadmap – steps for the implementation of which are in Annex 6⁵ – the focus of this paper is to address what DWP could do to maximise delivery, using the capacity it has and should already have planned for.

In the following sections, we summarise the information currently available and look at implementation approaches for England.

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¹ <https://twitter.com/cpagscotland/status/1351225433283559425>

² Via this Regulation, made in 2013: <https://www.legislation.gov.uk/ukxi/2013/380/regulation/47/made>

³ Q581, Work & Pensions Committee: UC and Domestic Abuse, Oral evidence, 24 April 2018.

⁴ See Annex 4: <https://medconfidential.org/2020/universal-credit/>

⁵ <https://medconfidential.org/wp-content/uploads/2022/08/6-bank-details-of-all.pdf>

The *status quo*

DWP claims Universal Credit “is designed to replicate the world of work”,⁶ and UC is paid monthly to couples because “that is the most likely way in which they will be paid when they get back to work”.⁷

We know of **no** employer who asks a new employee for their partner’s bank details, so as to pay the partner for the employee’s work!⁸ While its officials may argue they know better than anyone else,⁹ DWP has published no evidence supporting these stated beliefs.

As part of the Universal Credit process, those in a relationship *must* disclose information about their partner. Where both individuals in a relationship claim UC, one partner must apply first. Possibly much later, the other partner may join the application – at which point it then becomes a ‘joint’ application, which is then processed and paid about five weeks later.

Currently, the default is that UC payments are divided ‘100% to 0%’, i.e. the entire payment is sent to the bank account the details of which were provided by the first applicant.

DWP says of this arrangement (our emphasis):¹⁰

Split Payments are to prevent hardship to the claimant and their family and should only be considered in certain specific situations, such as domestic violence or where financial abuse occurs and one partner mismanages the Universal Credit payment.

This is, in itself, already a policy decision about who should manage money within a family.

Given Scotland has already passed a law on separate payments, and is willing to pay for the work to be done on UC, what would the maximum benefit be for the public purse, using digital design as a policy enabler?

We acknowledge that such policies may not always, or only ever, reside within DWP. During the COVID-19 lockdowns, that DWP could not give money to particular parents, but only to the first applicant for UC, restricted Whitehall’s policy response to Government decisions on Free School Meals – which, by and large, are given to children whose parent(s) receive UC – in ways that compared badly¹¹ with the devolved administrations.

The Department *could* continue with its published policy statement that, in effect, amounts to

⁶ Paragraph 2: <https://questions-statements.parliament.uk/written-questions/detail/2019-10-22/3702>

⁷ In answer to Q10: <https://committees.parliament.uk/oralevidence/1859/pdf/>

⁸ WP select ctte on 9th March, 16:18:00 onwards

<https://parliamentlive.tv/Event/Index/a032a122-2449-4de5-85fc-91975c69c72e>

⁹ DWP responses to questions from Parliamentary Committees; 9th March 2021 – Q8, Q9, Q17, Q18: <https://committees.parliament.uk/oralevidence/1859/pdf/>

¹⁰ <https://www.gov.uk/government/publications/universal-credit-alternative-payment-arrangements/alternative-payment-arrangements#split-payments>

¹¹ <https://old.parliament.uk/documents/commons-committees/work-and-pensions/Correspondence/Letter-to-Gavin-Williamson-and%20Amber-Rudd-School-holiday-poverty.pdf>

saying if you want a separate payment, you *must* disclose that you're a victim of domestic violence.¹² That is a choice on DWP's part, as would be fixing the issue. Both of which have consequences.

Similarly, while DWP cites UC's "nudge" towards paying the primary carer,¹³ that "nudge" is overridden by formal guidance¹⁴ of a type that the very book that defined nudge says will make it ineffective.

In 2022, the digital systems of Universal Credit *could* deliver; impediments to progress lie more with policies, policymakers and the gap between policy and delivery within DWP.

We propose *minimal* technical changes

The goal of this paper is to enable the technology of Universal Credit to implement both Scottish Government policy *and* DWP policy, and to allow for any conversation needed about service design. (In so doing, we separate 'policy-for-service-design' from technology.)

Our aim throughout is to ensure that:

- DWP policy in England is satisfied;
- the Scottish Government's legal requirements are satisfied;
- there is no need to change primary legislation, nor necessarily even change policy in England;
- DWP is provided with greater delivery choices, as a result of work funded by the Scottish Government;
- DWP will have the ability to more flexibly respond to crises, like the cost of living.

No necessary change for couples with a shared bank account

Under UC today, a couple with a joint bank account has payments made to that account, no matter which of the couple is the first applicant.

The change we propose does not *require* that anything changes in this regard – because if both applicants are asked for the bank account details (of the main carer) to which they wish to be paid, they will both provide the same bank account as (for both of them) *that would be 'their' account*.

Also, just as in the world of work, a couple with a joint bank account who were both paid by the same employer would receive two payments; DWP could *actually* replicate the world of work, or maintain its regressive *status quo*.

¹² https://www.whatdotheyknow.com/request/evidence_informing_statements_to#incoming-1777683

¹³ See Annex 6A: <https://medconfidential.org/2020/universal-credit/>

¹⁴ https://www.whatdotheyknow.com/request/evidence_informing_statements_to

Helping those at risk of financial control by others

DWP and civil society rightly recognise the risk and harms of coercive financial control. No single step can mitigate such financial control – abusers will always take steps to protect their power – but if DWP were to have bank details for every claimant, where JobCentre Plus staff spotted even just a risk of financial control by another person, those staff could ask the simple question: “Can I just check the second four digits of your bank card?”

If the claimant doesn't have access to those details – whether that is because they don't have access to the bank account, or for any other reason – then staff and DWP could take appropriate steps.

Citizens' choices

The UC programme was founded on the notion of 'independence and personal responsibility'. What we are proposing would give responsible couples the ability to choose what is best for their family, thereby delivering the Government's stated policy intent.

When fortnightly payments were introduced for everyone receiving UC in Scotland, families were able to consider if fortnightly payments would help them. After a while, based on their experiences, some families switched back to monthly payments¹⁵ in accordance with their rights and choices; responsible people made decisions based on more information, and on their own experience in practice.

We see no reason why 'separate payments' should be any different – and this can be entirely automated, so *claimants* can make the right decisions for themselves and their families.

Different payment schedules work for different people; what works for some does not work for others. And we acknowledge there will be service design choices that go beyond the remit of this proposal, such as the ways in which UC applicants can be enabled and supported to make the choice that is best for them and their family.

It is also the case that user research in Government is a relatively radical act.

Data being used to inform decision-making, and to improve user experience, has been the norm in the commercial arena for years. However – just as with the choices Facebook or YouTube make about what to promote or recommend – decisions that DWP makes may not always be entirely in the best interests of claimants, or even the wider public interest.¹⁶

¹⁵ Oral Evidence from Tom Loosemore to the Commons WP Committee, 1st July 2020
<https://committees.parliament.uk/event/1511/>

¹⁶ <http://data.parliament.uk/WrittenEvidence/CommitteeEvidence.svc/EvidenceDocument/Digital.%20Culture.%20Media%20and%20Sport/Immersive%20and%20addictive%20technologies/Written/95400.html>

Use existing User Journeys

Our recommendation is that DWP uses *existing* UC screens and processes *already in place* to **ask every UC applicant for the bank details of the account to which they wish to be paid**, while *continuing* to incorporate the existing ‘nudge’ that directs money towards the provider of childcare.

It would of course be preferable to be able to cite independent academic analysis of whether such an approach would be effective in practice – also identifying any specific subgroups for whom it might be less effective – but DWP’s practices do not currently permit or enable such research.

Returning to UC User Journeys, and as occurs now, individual claimants who are noted to be at risk of domestic abuse of various kinds could be requested to revalidate the bank details associated with their claim from time to time – at times when they are known to be alone, for when safe interventions can be designed by expert stakeholders.

‘User’ research?

It is always and only DWP that chooses the questions which *are* asked in its ‘user research’ – and questions which never get asked can never be answered. Civil society has long argued for better public data about Universal Credit, necessary to inform public scrutiny and debate.¹⁷

Such data would of necessity include the political decisions on what user research DWP conducts, and on which questions are politically acceptable to the Department to ask. Our main report on the systems of UC described DWP as a “monster factory”; such decision making is part of why it is so.

¹⁷ [A worked example of Inclusive Data Collection](#)