

# Social Security Experience Panels: Paying benefits into different bank accounts

## Background

The Scottish Government is becoming responsible for some of the benefits currently delivered by the Department for Work and Pensions (DWP). As part of work to prepare for this change, the Scottish Government set up the Social Security Experience Panels.

Over 2,400 people registered as panel members when Experience Panels launched in 2017. They all have recent experience of the benefits that are coming to Scotland.

The Scottish Government is working with Experience Panel members to create Scotland's new social security system.

**Department  
for Work and  
Pensions**



**2,400+  
Experience Panel  
members**

**Scottish  
Government**



## About the research

This report gives the findings of the ‘paying benefits into different bank accounts’ research.



**2243**

Invites



**234**

Survey responses

The research took place in

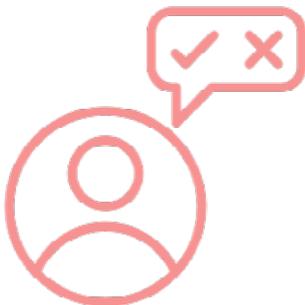


**2020**

The research asked Experience Panel members views on:



Using multiple bank accounts for benefit payments.



If and why using multiple bank accounts might be important.

Participants were aged between

**25 – 79**

years old



**38%**

Man or boy



**62%**

Woman or girl



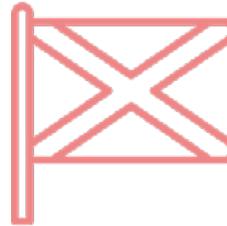
**82%**

lived in an urban location



**18%**

lived in an rural location



Participants took part from

**28**

of

**32**

local authority areas

**Most survey participants had a disability or long term health condition (89%), including:**



chronic pain



severe hearing impairments



severe visual impairments



other kinds of long term health condition

**Four in ten (43%) of survey participants were:**



a carer due to **old age**,



a carer to a **child**, or



a carer to an **adult**.

## Using multiple bank accounts

### Experience of using multiple bank accounts



Two thirds of respondents (65 per cent) said they had been paid two or more benefit payments at the same time.



Of those respondents, just under nine in ten (88 per cent) said they have always had all their benefits paid into the same bank or building society account.



Nine per cent said they have sometimes arranged for separate benefits to be paid into different accounts. Three per cent said they always arranged this.

### Reasons for using multiple bank accounts

We asked respondents who said they sometimes or always arranged for separate benefits to be paid into different accounts to tell us why.



Over half said they do this to keep payments separate if they are for different purposes.



Around one in five said to split payments between themselves and their partner.



No participants said this was to pay a benefit to someone else.



The rest of respondents gave other reasons.

## Importance of using multiple bank accounts

We asked those same respondents how important is it for them to be able to pay separate benefits into different bank accounts. These were people who had all benefits paid into the same account.



Half said it was **very important**. Over a quarter said it was **mildly important**.



Under a quarter of the respondents said **unimportant**.



We asked all other respondents the same question.



Over eight in ten (85 per cent) said that it was **unimportant** for them to be able to pay different benefits into separate bank accounts in the future.



Combined, 15 per cent said it was **mildly or very important** to them, with 8 per cent saying it was very important.



## Why multiple bank accounts are important



We asked those who said it was mildly or very important for them both at present and in the future to split payments into different bank accounts to tell us why.



The most common reason given by respondents was that it allowed them to manage money, including:



Budget money



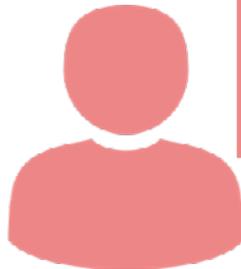
Pay bills



Save money

“I can budget better.”

“One is my own personal allowance and spending money, the rest are for household/family expenses.”



“It means that I have more control, I can decide what I am using each payment for. For instance save Child Benefit, use universal credit for everyday stuff, use PIP for additional needs, like clothing, additional costs, travel, care, etc.”

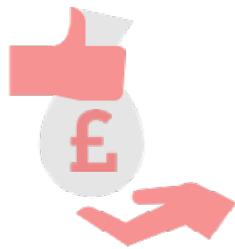
The other reasons why respondents said it is or would be important to split payments into different accounts included:



Practical reasons such as struggling to access local banking services



Concerns about vulnerable people, with multiple accounts giving some financial protection



Money is for another person



Security concerns, for example, the possibility of a sole bank account being hacked

“It’s worrying to have only one account. These days accounts can be hacked and if I only have one then it would cause problems with access to money, direct debits etc. which I would find very difficult to deal with.”

“If someone was being controlled by a partner, it would be useful to spilt the benefit so the control eases.”

“I do not do internet banking so it’s is important that someone can get/collect my money on my behalf if I desire at a local branch. Some banks have closed down their branches.”

Finally, we asked all respondents if there was anything else they would like to say about benefits being paid into different bank accounts.



Most said they prefer to have only one account for benefit payments. This is because:



They only have one account.



They feared that having benefits paid into different accounts would be confusing or they did not see the need.



Other respondents repeated the reasons why they personally would find it important.



A few said there were situations where multiple bank accounts would be good for other people, even if they did not want the option themselves.

This included the reasons above, such as wanting to split money between partners and protecting vulnerable people.

“If it suits other people better to help them budget then they should be allowed to have their benefits paid into different accounts.”

“While I'm perfectly happy to have my benefits paid directly to my bank account I know there are people who this would be a massive problem for. I understand that to have the facility to have different payments made to different accounts has been the first step on the ladder to escaping domestic violence/abuse. So I'd hope this would always be available to anyone that needs it for whatever reason.”

## What's next?



This research has helped Social Security Scotland decide whether systems should allow second bank accounts to be added to a client's account. This is instead of new bank account details having to replace the one that's there.



The research found that multiple bank accounts are important to some people. It has been decided to introduce this option for people who need it. This will be when clients are more likely to get more than one benefit from Social Security Scotland. This could be during the introduction of disability benefits.



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The Scottish Government  
St Andrew's House  
Edinburgh  
EH1 3DG

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