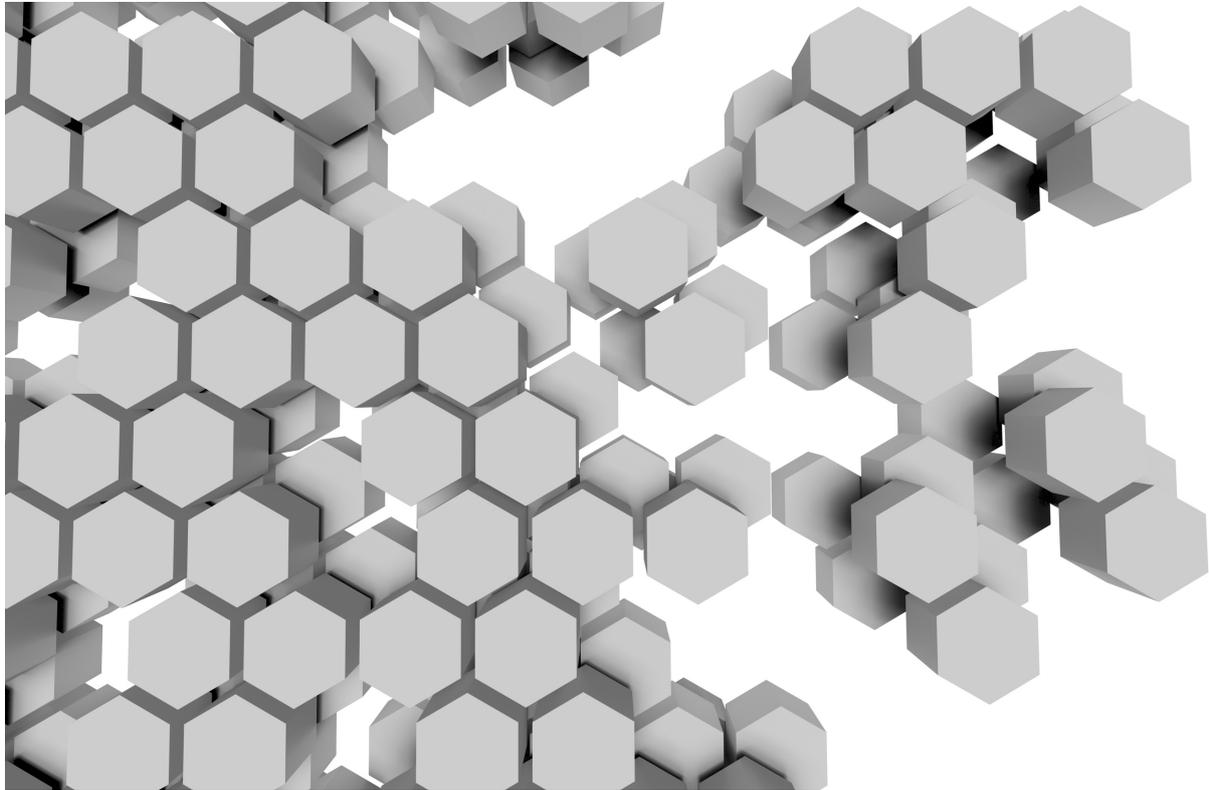


DWP provides positive feedback on GovCoin trial

The UK Government's Department of Work and Pensions has confirmed the success of a recent Proof of Concept using distributed ledger technology (DLT) to enhance the information available to benefit recipients to help them manage their regular payments.



Tuesday 28th March:— During Oral Questions in the House of Lords yesterday, Lord Holmes of Richmond, a Conservative peer and member of the UK Parliament's Financial Exclusion Committee asked what HM Government had made of the recent GovCoin trial and what plans the Department for Work and Pensions has in place for its large-scale rollout.

In response, Lord Henley, Parliamentary Under-Secretary of State, Department for Work and Pensions said that an independent assessment of the small-scale trial had been positive. "The Department for Work and Pensions continues to work with industry to explore new and innovative products such as this that have the potential to support people with their personal budgeting and reduce the overall costs of welfare administration," he noted. He pointed out that while this was a small trial, involving only some 20 to 30 volunteers, "It produced encouraging results."

In answer to concerns about data privacy expressed by Baroness Sherlock, Shadow Spokesperson (Works and Pensions), Lord Henley confirmed that all participants in the trial "gave full and proper consent to it, and that some of them found it very useful indeed." Lord Henley assured the House that neither the DWP nor the Government more broadly had access to any claimant information as a result of the trial nor would it have in any future exercise.

Baroness Tyler of Enfield (LD), Chair of the Financial Exclusion Committee, urged the DWP to consider the initiative in the context of the larger problem of financial exclusion. Lord Henley acknowledged that “very interesting ideas can come from blockchain” (a term sometimes used to refer to DLT), but noted that the focus of the question under discussion was the particular GovCoin trial aimed at assisting certain benefit claimants with personal financial management.

Govcoin perspective

Speaking after the debate, Phil Brown, COO, DISC Holdings, provided further details of the GovCoin project. Importantly, he noted, the project required no changes within the DWP processes or systems and was completed at no cost to DWP. Participants in the trial always had access to funds whether by withdrawal of cash or use of associated card capabilities. “Participants had the same flexibility in terms of spending as they have traditionally enjoyed,” he noted. “It was important to us that neither users nor DWP should have to change anything that they do today as part of the trial, and we feel we met that objective.”

Brown confirmed that DISC is looking forward to further cooperation with DWP and other institutions, including local governments, housing associations and power utilities as well as local merchants, many of whom have expressed interest in making use of the capabilities demonstrated by the GovCoin project. He also expressed the expectation that DISC would continue to engage with noted academics. The initial proof of concept trial was followed by Professor Angela Sasse, FEng, of University College, London (UCL). “Her subsequent analysis and research highlighted the very positive feedback received from users as part of the trial,” Brown added.