

# **Money matters in low/moderate-income families and the gender implications of welfare reform in the UK**

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# **Money Matters in Low/moderate-income Families and the Gender Implications of Welfare Reform in the UK**

## **Abstract**

The UK government has been considering the design and delivery of the proposed ‘universal credit’, the centrepiece of its welfare reforms. The authors draw on findings from their own research, about how low-income couples manage money and negotiate gender roles, to demonstrate their relevance to exploring the gender implications of the proposals for universal credit. Findings from this and other similar studies are used to explore the value of qualitative research to policy design and debates - in particular to supplement economic modelling, which has been highly influential in driving the current UK government’s thinking on welfare reform. The authors discuss the reasons why insights about gender relations within the household revealed by such qualitative research appear to have been resisted in the reform.

**Keywords:** welfare reform, within household distribution, universal credit, gender analysis

## **Introduction and background: proposals for universal credit**

The coalition government in the UK has recently introduced proposals for radical welfare reform, which at the time of writing (2013) are due to be introduced in a local ‘pathfinder’ shortly (Citizens Advice 2011). These proposals reflect the government’s focus on ‘welfare to work’ – moving people on benefits into employment – and redesign the means-tested elements of the UK’s social security system.

As with all such policy proposals, under UK legislation they must be assessed for their impact on ‘protected groups’, including women. We explore the gender implications of the proposals for universal credit, and demonstrate the value of insights from qualitative research in ensuring that policies such as universal credit work for everyone. But first we outline the main aims of the proposals, the background to their introduction, and their major elements (for more detail, see Bennett 2012).

The twin emphases of the reform are simplification and work incentives. This is no accident. The previous Labour governments (1997-2010) tried to address benefit complexity. In addition, several reports drew attention to the potential impact on work incentives of the benefits and tax credits system (see, for example, Kay (2010) and Martin (2009)).

The coalition government elected in May 2010 moved fast on welfare reform. The consultation document published in 2010 (DWP 2010a) already contained a clear outline of the means-tested ‘universal [*sic*] credit’ at the core of the government’s plans, and the White Paper (DWP 2010b) and subsequent Welfare Reform Bill (2011) fleshed this out without any major changes. Universal credit will bring together the main means-tested benefits and tax credits for people ‘in work’ and ‘out of work’, as well as various benefits

to meet additional costs, including some housing costs. In effect, the distinction between being in and out of work is largely being abolished, in that one means-tested benefit will be available whatever hours of work are being carried out.

This fusion is meant to deal with two problems that have figured prominently in recent analyses of the UK benefits and tax credits system. The first is the lack of an incentive to take ‘mini-jobs’ of a few hours per week, caused by the very low earnings ‘disregards’ (ignored income) for many groups on means-tested out of work benefits; the coalition government’s stated goal is that under universal credit ‘all work is rewarded’, from the first hour onwards. As a *quid pro quo*, the government is planning to extend conditionality to people in work on universal credit, obliging them to seek additional and/or better paid work until they reach a certain level of earnings. In addition, many people (though not everyone) will retain more benefit as their earnings increase.

The second problem that universal credit is intended to deal with is the confusion caused by the existence of different benefits and tax credits, and the disruption created by moving from one to another (Haddad *et al.* 2010). There were various possible solutions to this; the coalition government decided to solve it, however, by devising one ‘super means-tested benefit’, universal credit.

There will be a single payment of universal credit, with one withdrawal rate instead of several different tapers. (However, some other benefits will be administered locally rather than centrally, and may therefore differ, undermining the much vaunted simplicity of universal credit.) Universal credit will be phased in from 2013 to 2017, being paid to new claimants at first, with others transferring on to it later; there will be transitional protection for any cash losses.

### **Unitary household model and universal credit: potential gender implications**

The proposals for universal credit contain a number of structural features that appear to have implications for gender equality both within and outside the household.

The proposed universal credit, like other means-tested benefits, is consistent with the assumptions described in the unitary model of household production set out by Becker (1981). This model suggests that households operate as a single unit, and in particular that they maximise their efficiency through the specialization by partners in either paid or unpaid work. In this case, the spouse with the greatest comparative advantage in market work will work the greatest number of market hours (Harkness 2008). In other words, typically, the greater the husband’s comparative advantage in paid work, the less time he will spend in unpaid work (Bianchi *et al.* 2000).

However, Becker’s unitary household model has been criticized for the assumption of altruism among family members, especially the head of household, and a single family utility function (i.e. interest) (Bittman *et al.* 2003). For example, proponents of bargaining models criticized the altruistic assumption of Becker’s model and suggested that individuals are self-interested. Bargaining models, however, are also based on the view that economic resources are the major factors in determining one’s bargaining position in the family. Thus, for example, men in dual earner families do less housework than their wives because they earn more, thus giving men a better position to bargain from.

According to both theories, recent labour market changes – in particular, increasing participation in the labour market by women – should have resulted in a reduction of unpaid work carried out by women (Harkness 2008). However, this predicted change has not fully materialized. Gender construction theories suggest instead, therefore, that the major factor in the determination of who does housework is the construction and reconstruction of gendered identities (Crompton and Lyonnette 2008). In this case, women’s responsibility for unpaid work is the key to the reproduction of gendered traditionalism (West and Zimmerman 1987), rather than this being a rational choice; thus, women do more of the housework even when they are in full-time employment.

Despite the criticisms of unitary household models, many recent policies affecting families in the UK still seem to be based on the assumptions that underlie them. This is evident in the proposed design for universal credit, the potential gender implications of which are discussed below in more detail. In particular, we focus on universal credit as a jointly claimed and jointly owned benefit; the priority on getting the ‘first earner’ in a household into employment; and payment of universal credit being made in one lump sum each month to everyone, and into only one account for couples. In each case, we draw out how the findings of qualitative research can throw light on the (gendered) implications of these governmental policy choices.

First, claims for universal credit by couples will have to be joint, with both partners responsible for reporting changes in circumstances, liable for any repayments etc. As with current means-tested benefits and tax credits, assessment of income and assets will also be joint. Thus, couples<sup>1</sup> are being treated as one unit – a unitary household, as in Becker’s conception, with equal sharing of resources assumed, and an apparent belief that joint responsibility is unproblematic and that by and large couples can and should be left to manage their money as they wish. But, as demonstrated below, the findings of qualitative research, including our own recent study, suggest that this is not necessarily the case in practice, because of (gendered) inequalities of power within couple relationships.

Secondly, the UK’s coalition government has a clear focus on getting one person in each household into work as a priority (DWP 2011b). For many lone parents, this could lead to an improvement in the return they get from a job – especially ‘mini-jobs’ of a few hours per week. However, instead of there being additional income for working 16 hours or more per week (and a bonus for 30 hours or more), as under the current tax credits system, the trajectory will be smoother, from the first hour of employment upwards; and these bonuses at certain points will be replaced, as noted, by the extension of conditionality to people in part-time jobs if it is thought that they should be working longer hours and/or for more pay. This could have both advantages and disadvantages for lone parents, the vast majority of whom are women.

However, one earner per household is the policy focus for couples as well, rather than employment entry being facilitated for all adults. As now, there will be one ‘disregard’ (work allowance, or amount of earned income ignored) per couple, rather than one for each individual. Many (actual and potential) ‘second earners’ in a couple will see

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<sup>1</sup> Whilst the focus of this paper is male/female couples, many of the rules of current means-tested benefits and tax credits, and of universal credit in future, will apply to same sex couples living together as well.

their incentives to work, or to work more, worsen, primarily because the deduction rate will increase significantly for many under universal credit. More such ‘second earners’ in couples are likely to be women. The government suggests that if the result of this change – and the improved ability of the main breadwinner to maintain their family which may be brought about by universal credit - is that some ‘second earners’ reduce their hours or give up their jobs (or do not enter employment), this will increase the family’s choices about their work/life balance. In other words, specialization (in Becker’s terminology), or different gender roles within couples, are not problematized; and work/life balance is seen as a family, rather than an individual, issue. Choice is also seen as operating at the level of the couple rather than the individual, in the ‘unitary household’ model. Previous research has demonstrated that women’s labour supply is more elastic than that of men, so they are likely to be more affected by the more visible ‘poverty trap’ under universal credit. And findings from qualitative research, including our own recent study, demonstrate that women in particular, including in low/moderate-income families, value income of their own as a means of achieving a measure of autonomy (Bennett and Sung 2013).

The third characteristic of universal credit with gender implications is the arrangements for payment. Couples will have to choose one partner as the payee (DWP 2011a). Universal credit will therefore not be split between partners, as may currently happen with tax credits and means-tested benefits (which, for example, result in the partner designated by the couple as the ‘main carer’ receiving child tax credit for the child/ren, together with any money to help with childcare costs). Couples may decide to pay universal credit into a joint account, as they might do with any or all benefits and tax credits under the current system. But these arrangements, which could mean that the whole universal credit payment may be paid into one person’s account, suggest that economic dependence within the family is not seen as an issue of concern. They also indicate that the widely accepted view that money for children should go to the person most likely to be responsible for spending it (as argued, for example, by Lister (2011), in evidence to a parliamentary inquiry) is not accepted, or at best is not seen as a priority in comparison with other policy objectives. Yet qualitative research, including our own recent study, demonstrates that a gendered division of labour persists amongst many families, in particular those living on low to moderate incomes, which frequently results in women taking most responsibility for day-to-day decisions about expenditure on children (Sung and Bennett 2007).

Fourthly, payment of universal credit will be monthly for the vast majority (DWP 2011d). Currently many means-tested benefits are paid fortnightly, and tax credits can be paid weekly or four-weekly by choice. Monthly payment will mean that, whilst payment of bills in many families will happen automatically each month via direct debits, whoever is responsible for day-to-day spending is likely to feel the brunt of the budgeting difficulties caused by this change. Some qualitative research (Goode *et al.* 1998; Rake and Jayalatika 2002), including our own recent study, has shown that it is most likely to be women who have this role within the household in low-income families.

Below, we demonstrate in more detail the relevance of the findings from our qualitative research with low/moderate-income couples for the Within Household Inequalities and Public Policy research project to these key gender issues in relation to universal credit. We then discuss the experience of policy influencing in relation to these

findings, and finally draw some conclusions about the potential for qualitative research to carry weight in this policy context.

### **Qualitative research about gender and money in low/moderate-income couples: research methods**

The use of qualitative methods for social policy research has been growing in recent years, as the significance of understanding complex needs, systems and cultures in a range of social policy fields has been increasingly recognised; qualitative research is used to inform policy-makers in their reflection on policy decisions, by examining people's attitudes, behaviour and experiences (Ritchie and Spencer 2002). As Rist (1994, p. 8) argues, qualitative research is particularly appropriate when applying 'the "ground-level" view of implementation' – such as the day-to-day realities of bringing a new policy into existence and applying it in practice.

Recent research carried out in the Gender Equality Network ([www.genet.ac.uk](http://www.genet.ac.uk)) is of key relevance in this sense to the assessment of the UK government's proposals for welfare reform, including universal credit. This is because its central aim was to find out more about what goes in within (male/female) couples, in particular in relation to the control, management and distribution of financial resources, in order that this should be taken more fully into account in assessing the impact of welfare reforms and associated policies. The research, known as the Within Household Inequalities and Public Policy (WHIPP) project, was a multi-method project involving qualitative, quantitative and policy simulation elements.<sup>2</sup>

This article draws in particular on the qualitative research element of this project (see, for example, Sung and Bennett 2007), which involved semi-structured interviews with 60 men and women individually in male/female couples living on low/moderate incomes in England, Scotland and Wales. The couples had all had children at some point, and were virtually all of working age (with a few having one partner of pension age). Most were on means-tested benefits or tax credits, or both, at the time of interview, and/or had been in the past. Though this was not deliberate, they were all white; and all but one couple were married. Some had grown-up children living with them. They were all members of a sample of households originally recruited to the British Household Panel Survey to boost its coverage of low-income households, and had been interviewed annually from the late 1990s to 2001.

The interviews covered how the couples dealt with finances and managed their money in some detail, but also included questions about their perceptions about benefits and tax credits and about the division of labour in the household. The data was analysed with a thematic focus with the help of the Nvivo software package. In each section below, we set out findings from our own study (and sometimes also from others); outline the relevant element of the design of universal credit; and draw out the implications of our research for its gendered impact.

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<sup>2</sup> RES-225-25-2001 ([www.genet.ac.uk](http://www.genet.ac.uk)). This research was project 5 in the Gender Equality Network, funded by the Economic and Social Research Council. The other two principal investigators were Prof Susan Himmelweit of the Open University (working with Dr Jerome De Henau) and Prof Holly Sutherland of the University of Essex.

## Research findings and implications for universal credit

### *Importance of independent income*

Whilst the interviews revealed a deep loyalty to coupledom amongst both men and women, they also demonstrated that women were more aware of issues to do with autonomy and independence, whereas men were on the whole not conscious of them (Bennett and Sung 2013). Women valued access to an independent income, not only from wages but also sometimes via receipt of a specific benefit in their own right:

*'If I wasn't [making that contribution via wages] then I'd be dependent on him. I don't like being dependent on people. Although [my wages] are, like, family money, they're, like, my wages.'* (Case 1, woman)

Several attributed their 'say' in decisions about household finances to this.

First, however, in relation to the importance of independent income, a clear loyalty to togetherness was demonstrated by the couples in this research, who had often been married for many years. 'All in one pot' was the commonest catchphrase used by both men and women to describe how they dealt with their money, and members of both sexes talked about their 'team'/'partnership' and said there was 'no yours and mine' in the way they handled resources. Most had a joint bank account to which both had access and many said they made joint decisions about money (Sung and Bennett 2007).

However, 'choices' as exercised by the couples – for example, in terms of who primarily looked after the children, or did the bulk of the housework, and who had a full-time paid job – were demonstrably gendered. Joint decisions do not always mean decisions made equally, or with equal impact on opportunities and outcomes.<sup>3</sup> As noted above, choices as exercised by couples 'together' are not the same as individuals' choices; and jointness and mutuality are not the same as gender equality, but could be seen as more akin to the idea of the 'unitary' household in which the interests of its members are seen as one. In a gendered context, this is often likely to result in unequal outcomes for men and women. It is arguable that the arrangements for universal credit have the potential to reinforce this.

Secondly, as noted above, receipt of an independent income, whether via wages or a non-means-tested benefit, was likely to mean that an individual had more of a 'say' on what happened to household finances; was able to maintain separate finances if they wished to do so; did not have to regularly ask for money from their partner; and/or no longer had to justify their personal spending to them:

*'I used to [justify my personal spending], but I think not now I'm earning my own money. Because he was the main breadwinner, I suppose I felt I had to ask for money if I wanted it for my clothes and things.'* (Case 18, woman)

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<sup>3</sup> This issue was explored in more detail and across a wider range of couples in quantitative analysis of the British Household Panel Survey by our colleagues Prof Susan Himmelweit and Dr Jerome De Henau.

But, as noted, universal credit is likely to disincentivise employment for ‘second earners’, which may have a significant impact on financial autonomy for women in couple relationships.

Moreover, whilst joint accounts were common, were seen as important by most of those who had them, and were often seen as symbolic of marriage and togetherness - as well as being useful in practical terms - this did not necessarily result in either joint management of finances, or equal access to resources for men and women. A few women said they did not draw money from the joint account because they saw it as their husband’s money. More men than women were said to be responsible for managing the joint account; this might be because men were more likely than women to be the ones responsible for paying regular bills, often by direct debit. Some men did not access the joint account to draw money out, but again this was often because of the respective roles of men and women in relation to finances – to generalize, paying bills (men) and doing the household shopping (women). This is explained in more detail below, and indicates that universal credit if paid into a joint account will not always be equally available to both partners. Women were more likely than men to have their own individual account in addition to the couple’s joint account. They were also more likely, when they did so, to see this as important, and to express this importance in terms of independence:

*‘I think you’ve got to have a little bit of your own ... I wouldn’t say security ... but I’ve never been used to being totally hand in hand with somebody with finances.’ (Case 27, woman)*

Certain benefits and/or tax credits were often paid into women’s individual accounts – sometimes, it seemed, to balance the (man’s) wage that was going into the joint account. If this is done with universal credit, none will be able to be paid into another account in most cases - unless there is domestic violence, or other exceptional problems, which may lead to official agreement to the payment being split between the partners.

Other qualitative research has concluded that independent income can give women more ‘say’ in household finances (Goode *et al.* 1998; Rake and Jayalatika 2002). A recent qualitative study involving interviews with 30 black and minority ethnic women in northeast England living in couple households on low incomes found some women who appeared to have so little access to income that their husbands were in control of virtually all aspects of their lives; even for those couples who had a joint account, and who were described by the women as having a financially equal relationship, subsequent questioning revealed apparent gender inequalities; and those who said they had more of a ‘say’ attributed this to having some earnings of their own (Warburton Brown 2011). Thus this research confirms the findings of our project, described above, that access to an independent income may be important to women in particular; that this can make a positive difference to their power within the household; and that neither loyalty to ‘togetherness’ nor the existence of joint accounts can necessarily guarantee equal access to resources by both men and women.

Key characteristics of universal credit with potential gender implications in relation to access to income were highlighted above. These included the joint assessment



and ownership of universal credit by individuals in couples, and the position of ‘second earners’ under the reform. The qualitative research reviewed in this section, including our own recent study, suggests the importance of an independent income via access to wages or benefits. This was the case in particular for women, who clearly valued this in terms of their position in the household. However, the Institute for Fiscal Studies – as well as the government’s own policy briefings – showed that many ‘second earners’ in couples on universal credit will face much higher losses from each (additional) pound of wages than they do now. This is before the effects of any changes to help with childcare costs are included; the percentage of childcare costs taken into account for such assistance has already been reduced from 80 to 70 per cent, and the additional help for those on housing and council tax benefit which could increase this support to cover up to 95 per cent of the costs will no longer exist under universal credit.

Moreover, other forms of independent income to which women in particular have access appear to be under threat. Although non-means-tested child benefit is being retained alongside universal credit, and will still usually be paid to the mother, it has been frozen for three years and is now to be uprated by only 1 per cent for several years, and will therefore decline further in value; and the current Secretary of State hinted in the past that it could be absorbed into universal credit at some future date. And whilst non-means-tested carer’s allowance – which provided an independent, though low, income for several women in our research – is also being retained, the narrowing of eligibility criteria for help with additional costs for people with disabilities being cared for will be likely to reduce the numbers of carers who qualify.

### ***Responsibility for spending and managing***

The interviews in our research study also showed that traditional gender roles persisted amongst the low/moderate-income couples. This was the case in particular in relation to managing the household budget, which previous research had shown to be more likely to be the responsibility of women when resources were limited, and when such a role could therefore lead to anxiety and stress (though sometimes also pride in a job well done) (Goode *et al.* 1998). Men in our study were often responsible for paying the bills, whilst women were often responsible for spending on the children, and for food shopping and purchasing of everyday lower cost items etc., which tended to be more frequent (Sung and Bennett 2007):

*‘I’m bills, she’s food etc.’ (Case 17, man).*

*‘I am mostly responsible for, like, the food shopping and household things, and [he] deals with rent, bills, like electric, gas and that sort of thing.’ (Case 17, woman)*

(This could also include giving regular pocket money to the man for personal expenses, sometimes daily.)

This was not universally the case – for example, if women had a monthly salary, and/or their employment was more stable, the mortgage might come out of their pay (Sung and Bennett 2007).

Complementary evidence from other qualitative research suggests that women in low-income families are often the ‘shock absorbers’ of poverty (Lister, in Women’s Budget Group 2006), trying to protect their children and partners from its effects. Recent research demonstrates the ‘juggling’ that people on low incomes often have to practise to get by, using the timing of bills and different income payments to manage their expenses and debts from week to week (IPPR 2009). Such juggling will not be possible with universal credit, which will be paid in one lump sum once a month into one account.

The interviews also included questions about individuals’ responsibility for spending on the children and handing over money for childcare, and about which parent the children went to if they wanted/needed something. In virtually all cases, the woman was (or had been) the partner who carried the main responsibility for ensuring the children’s needs were met:

*[Who had the main responsibility for spending on the children?]  
‘Me ... Me I would think really ... I think, because the mother tends to be a bit more with it ...’ (Case 9, woman)*

Childcare costs were hardly ever incurred, as the vast majority of the couples in our sample had only informal childcare, if any; children were seen as parents’ responsibility – and in practice, as noted here, this meant primarily mothers’ responsibility (see also Warburton Brown 2011; Rake and Jayalatika 2002). Yet with universal credit, money for the children will no longer be identified separately.

Other characteristics of universal credit with gender implications described above are the decision to allow couples to choose which account (the whole of) universal credit should be paid into, and the government’s intention to pay the benefit monthly to the majority of claimants.

Allowing couples to choose the account, or payee, is clearly preferable to a situation in which the ‘main earner’ would automatically be paid universal credit. However, when gender inequalities within the household are more likely to mean that men have financial control, and when gender inequalities outside the household mean that women are more likely to have no (or very little) other income, this arrangement could mean that the more powerful partner - more likely to be the man - ends up with virtually all the family’s resources. The failure to separate elements of universal credit and label some as being meant to meet children’s needs, paid to the ‘main carer’, as is the case currently with child tax credit, may also make it less likely that women have direct access to income, or that such money is spent on meeting children’s needs.

The fact that universal credit will be paid monthly rather than more frequently for most claimants is likely to mean that it is women who bear more of the pressure to make ends meet towards the end of the month. This is because, as the qualitative research above demonstrates, women are more likely to be responsible for buying the daily/weekly items needed for the household. Other research has also shown that women are more likely to be the managers of household debt, so may well be coping with the consequences of a move to monthly payment as well (WBG 2006); an all in one monthly payment, as noted above, removes some of the possibilities for juggling when benefits are paid in different tranches at different intervals, as happens now.

Lastly, the localization of council tax benefit to local authorities, and the replacement of such benefits as educational maintenance allowance and the Social Fund by local discretionary schemes, will introduce greater discretion, variation and uncertainty into other elements of some families' incomes outside the scope of universal credit. Again, women in the family are more likely to have to cope with these difficulties, because of the usual gendered division of roles between partners.

## **Discussion: reflections on policy influencing**

In theory, recent governments in the UK have been committed to evidence-based, or at least evidence-informed, policy making (Boaz *et al.* 2008). But it is clear that this process is not simple or linear (Lemay and Sa 2012); and that multiple factors, both internal and external to the research itself, can affect it (Brown 2012 p. 461). In this section, we discuss the degree to which policy influencing of the plans for universal credit in relation to their gender implications was possible, both in general and in relation to qualitative research findings more specifically.

Sue Cameron in the *Financial Times* (12 May) commented in 2011 on the degree of ease with which the UK coalition government had to date managed to proceed with its plans for welfare reform. The central theme of this article is the use of qualitative research with low/moderate-income families to raise gender issues about the plans for universal credit. But, before discussing the impact of qualitative research findings specifically, we explore the topical context, in the belief that 'research use is influenced by the specific conditions that exist at the particular time and place in which it occurs' (Lemay and Sa 2012, p. 476). In other words, there are several general factors which we believe combined to make substantive influencing of these plans particularly difficult, whatever the nature of the evidence brought to bear.

First, the government already had a clear idea about its objectives and its favoured way of achieving them, primarily due to the relevant Secretary of State's prior involvement in the Centre for Social Justice, the think tank which had previously designed a strikingly similar scheme called '*Dynamic Benefits*' (CSJ 2009) (see below). Thus, the policy framing stage (Annesley 2010 p. 333) was relatively closed to outside influences. Secondly, financial constraints to reform have rarely been clearer, because of the coalition government's determination to maintain its austerity programme in response to the current financial crisis (Ingold and Monaghan 2012). And thirdly, and partly as a result of this, the reform is clearly being driven by an administrative imperative – a desire to cut down on administrative costs for the government. We do not expand on these factors here; but the remainder of the article should be read in this context.

Exchanges during the recent period of policy influencing have suggested that there are also various assumptions about the ways in which families work, as well as the desirable relationship between government and families, which appear to underlie reform in this area. One of these, as noted above, is that 'you can't (and shouldn't) affect how families deal with money' – through, for example, specific payment arrangements. Policy makers did not seem to be persuaded that (for example) money for children should be paid to the 'main carer', despite the wide consensus in favour of this. Issues such as this

one also appeared to be being treated as (implicitly less important) ‘delivery’ issues, rather than issues of design (seen as more fundamental).

In addition, there seems to be a belief that because ‘different households budget and handle their finances in different ways’, no general rules of behaviour can be discerned or taken into account. But, as demonstrated above, research reveals that there are common (often gendered) patterns in how families handle their money; and policy already intervenes in this area of behaviour in any case (for example, by paying child benefit to the mother in most cases). The official policy briefing on payment of universal credit (DWP 2011a) also suggests that couples may pay it into a joint account, implying that this means that both partners will be able to benefit.<sup>4</sup> However, it is clear from our interviews and other research evidence that, whilst joint accounts are a symbol of togetherness, they do not necessarily guarantee either equal management of money or equal access to it by both partners.

So why has this and other related research evidence not had more impact on the government’s thinking? It is true that our research was not designed with the specifics of the government’s proposals in mind, as it was originally devised in 2001 and carried out in 2006, before universal credit had been thought of. And, unlike the research reported in Goode *et al.* (1998), the participants did not always match exactly the population groups that will be affected by universal credit specifically. It may also be the case more generally that, as one civil servant commented in a recent study, certain research methods hold more sway: ‘From a research point of view there is a reluctance to go for anything other than numbers. Qualitative data value added is pushed to the back a bit’ (Ingold and Monaghan 2012, p. 13). This study of the evidence and policy process is highly relevant, as it was carried out with policymakers and analysts in the UK’s Department for Work and Pensions at the time when planning for the introduction of universal credit was taking place. It found ‘a different form of agenda setting, relating more to preferred methodologies...’ (p. 10); indeed, in the researchers’ view, ‘methods served as a filtration process’ (p. 14) in terms of the consideration of research evidence in relation to policy. But there seem to be additional more specific reasons for the difficulty of bringing insights about gender relations from qualitative research to bear on this process, which are explored below.

## **Conclusions: the value of qualitative research**

Rist (1994) suggests that qualitative research is highly relevant to the information needs at the policy formulation stage in the policy cycle, including study of the intended and unintended consequences of the various policy instruments chosen. But, in addition to their clear ideological underpinnings, especially in relation to desirable family structures and behavior, the UK coalition government’s practical proposals on universal credit appear to have been influenced in particular by concepts and developments in quantitative rather than qualitative research. First, a paper by Brewer *et al.* (2010) for the Mirrlees review of taxation carried out by the Institute for Fiscal Studies, and the

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<sup>4</sup> In fact the policy briefing is careful to be cautious in tone (though some of those involved in the debates on universal credit have been less so).

Mirrlees review more generally, make an economic case for optimal tax (and means-tested benefit) policies, which include an emphasis on the ‘participation tax rate’ being crucial for those who are contemplating entering employment. (The ‘participation tax rate’ is the amount of income lost by someone out of work on entering employment compared with their out of work income.) This emphasis justifies the policy adopted by the government in its universal credit proposals, which raise earnings disregards significantly. The limits on expenditure imposed by the Treasury, however, in the context of the current austerity policy, ensured that there was no additional disregard for ‘second earners’ in couples - potentially affecting women in particular.

Secondly, the Centre for Social Justice report *Dynamic Benefits* (CSJ 2009) modelled the increase in employment (and reduction in so-called ‘welfare dependency’) which could be expected if work incentives were improved for those currently on out of work benefits. Such ‘dynamic’ research aims to predict behavioural changes as a result of policy reforms. This appears to have influenced the main stakeholders, by encouraging their conviction that the proposed universal credit could have significant beneficial effects in terms of reducing worklessness.

Both these reports were based on modelling of work incentives by economists. Newman (2011) argues that governmental preferences for certain kinds of social-scientific knowledge have led to some disciplines being valued over others (economics over sociology) and some methods being preferred (quantitative over qualitative). These observations fit with her arguments. But many other factors besides those that can be modeled are important in people’s everyday lives, as was apparent from our qualitative research study. These include how benefits/tax credits systems work in (messy) ‘real time’, rather than just in mathematical equations. They also involve how households do operate together as financial units, but also as units containing individuals who may have both similar and differing interests, for whom gender equality as well as utility may be a viable outcome measure (Atkinson 2012). And in particular, they include the nature of money - how it is not neutral, but instead has ‘social meaning’ (Zelizer 1994) – that is:

*‘... the significance of the source of income, its recipient, and the way it is “labelled”, for shaping both perceptions and allocation of financial resources.’ (Goode et al. 1998, p. 11)*

This is not to argue that qualitative evidence has played no role in the policy process in relation to universal credit. Over recent years, there has been a range of reports about the complexities and incentive effects of the benefits/tax credits system by voluntary organisations (e.g. Community Links *et al.* 2007) and think tanks as well as by academics. And MPs’ constituents and others have certainly also contributed their own narratives about problems in the benefits system. At the stage of problem delineation, therefore, qualitative research and experiential evidence undoubtedly had a powerful place.

However, the government’s specific design proposals appear to have been shaped – or at least justified – more by certain forms of econometric modelling. Financial incentives have been seen as key to motivation, and arguments based on the responses of a ‘rational economic man’ [*sic*] have been central. Equal sharing of household resources has been assumed in these models. But the significance of roles and relationships, which

can be revealed by qualitative research, and which can affect incentives and other forms of behaviour, does not appear to have been taken on board in the same way.

As noted above, this may be due in part to the pre-eminence of numbers, in particular in relation to persuading the Treasury of the case for additional expenditure (Cameron *et al.* 2011, p. 440). But more generally, behavioural change is a crucial part of this reform. In particular, the government is proposing that those out of work should organize their finances differently, by receiving one monthly payment, and by taking on responsibility for paying rent themselves, in the belief that this mirrors typical working life. It was therefore more interested in research that claimed to be able to predict change in behaviour (largely entry into employment, but also increased take-up of benefits) in response to alterations in the structure of benefits. It was therefore unlikely that evidence about how families organize their affairs at the moment was going to carry weight once decisions were being taken about how the system should be altered.

As noted above, this has occurred in part because of the specific ideology informing the government's proposals. This is one of the four 'I's that Weiss (1995, cited in Boaz *et al.* 2008) argues influence decision making: interests, ideology, information (meaning evidence) and institutions. And Nutley *et al.* (2002, p. 17) argue that attention is more likely to be paid to research findings when the results support existing ideologies, and are convenient and uncontentious to the powerful (see also Mulgan, 2005, p. 224). But this ideology is not always challenged by the forms of economic modelling on which it relies, as we argue it is by the detailed delving into the rich weave of everyday life that is represented by qualitative research such as ours and others'. An out-of-date model of the family is being employed that sees a more traditional sole breadwinner pattern as desirable, and that does not problematize the application of 'choice' to families rather than individuals. But the question of how best to deliver welfare to *all* individuals within the household (Price 2011) is not adequately answered by perpetuating assumptions of equal sharing of resources in the household and a failure to investigate many issues central to gender relations both within and outside it.

Perhaps we need to pay more attention, as argued by Davies and Powell (2012), to those approaches to ensuring research has impact on policy makers which are concerned with influencing deeper beliefs, values, assumptions or mental models. This may involve, as Rist (1994) argues on the basis of previous studies, a reorientation away from seeing research as serving an 'engineering function' to perceiving it as fulfilling an 'enlightenment function'. But if this is the case, we may be in it for the long haul. And there will still be other powerful influences (Ingold and Monaghan 2012, p. 16) - including in particular ideology (Newman 2011, p. 481) - on the way in which the policy process uses evidence, including insights about gender structures and relations gleaned from qualitative research.

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