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**Money and Meaning:
How working-age social security
benefit recipients understand and use
their money**

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Money and Meaning: how working-age social security benefit recipients understand and use their money

Introduction

This CASEBrief summarises Kate Summers' doctoral research. The research aimed to develop a detailed picture of how working-age social security benefit recipients understand and use their money. Forty-three in-depth, qualitative interviews were conducted with working-age social security recipients living across east London. Participants were asked about the processes of receiving, organising, and using their social security money. The focus was on building a detailed, micro, account of money in people's day to day lives.

A full copy of Kate's doctoral thesis can be accessed [here](#).



Click the image above to watch the short video about this research

Motivations for the project

There were two main motivations for the project. The first was to enhance the dominant way in which social security money has been thought about by policymakers. The second was to inform the current policy context.

It has been [previously noted](#) that the *social* aspects of money are understudied and often underappreciated by academics and policymakers. Often it is assumed that when people think about and use their money, all that matters is the *amount* of money. However, this research began from the perspective that it is not only *how much* money that matters, but also that we need to pay attention to the various *social meanings* and *social relationships* that are involved when money is used and understood, and the ways in which monies are (physically and mentally) *differentiated*.

The current policy context also makes this research timely. Key features of the current context include: 1) the ongoing introduction of [Universal Credit](#), a new working-age benefit that will replace six separate existing payments; 2) the overall direction of travel towards a working-age social security system that has [increased conditionality](#) for both in and out of work claimants, and payments that are [less generous](#); and 3) an ongoing erosion [of insurance-based principles](#) underpinning working-age social security in preference for means-tested systems.

Methods

The study involved in-depth interviews with 43 working-age social security recipients. The sample was constructed so that a range of personal characteristics including age, gender, ethnicity, household type and employment status were included. Participants were accessed via advice and community centres.

In order to be included in the sample, participants had to be in receipt of either Jobseekers Allowance, Working Tax Credit, or Universal Credit. In the interviews, participants were also asked about any other social security payments that they received, which included Housing Benefit, Child Benefit, Child Tax Credits, and payments received by other household members. Claimants in receipt of disability or health related payments, such as Employment and Support Allowance and Personal Independence Payment, were not included in the study. This decision was taken in order to make

the scope of the study manageable: participants included those who were either in-work on a low-income or out of work, and who did and did not have children; those with a disability or long-term health condition that the benefits system recognised affected their ability to work, were not included.

The interviews focused on asking participants to describe the *processes* of receiving, organising and spending social security money, as well as their explanations and reflections of these processes. The interviews were recorded, transcribed, and then analysed using a form of thematic analysis whereby themes were derived from the interview data and compared and contrasted across different participants' accounts.

Findings

The findings can be broken down into three main areas:

Claiming social security money. Generally speaking, participants placed social security money towards the bottom of the hierarchy of available sources of income; it was to be accessed only when these other sources of income were not available, not feasible, or were inadequate. During the actual

"[you] sign on to survive, that's all... [when] there's no other way to survive"

Anwar

claiming process, participants described direct social interactions with administrative staff as either involving faceless, arms-length, sometimes

"I was overwhelmed because I've never come across anyone in the Jobcentre that was genuinely nice and wanted to help."

Kelly

frustrating bureaucratic processes (Tax Credit and Child Benefit claims); or a mixture of faceless and face-to-face interactions that were most often experienced punitively and negatively (Jobseekers Allowance and Universal Credit claims). In

terms of the broader interaction when claiming social security money, the dominant understanding among participants was that

"[It's] for people who don't abuse it and are loyal to it, and are honest and work"

Turner

social security money came from, and belonged to, taxpayers, a group that participants often clearly identified themselves as being a part of. Participants also articulated the bases upon which they understood that this money was received. Instead of talking only about the formal, administrative requirements that they had to fulfil to receive their money, participants spoke about a much wider set of virtues that a 'legitimate' claimant should fulfil, including demonstrating responsibility, honesty, and a strong work ethic. A legitimate claim, for participants, was not only an administrative process, but also involved showing that they did not fit with [widespread negative narratives](#) about working-age benefit recipients (for example, stereotypes of claimants as workshy and lazy).

Organising social security money. The timings according to which social security monies were received and organised were a central dynamic in participants' lives. The majority of participants operated on predominantly short-term timescales, spanning from daily to fortnightly, and did so in order to 'stay afloat' and deal with a situation where money went 'in one hand and out the other'. Within these timescales participants used various 'earmarking' techniques, using bank accounts and cash money, to divide, protect, and organise monies for their intended purpose. Participants put significant, effortful work into organising, segmenting and designating their monies. Over half of the sample had experienced some sort of disruption to their timescales, resulting from unexpected changes to

**"It's supposed to be a
meantime thing
[receiving benefits] ...
you're stuck at the
moment"**

Grace

patterns of social security receipt, or amount. Some participants aimed to stash away small amounts of money to mitigate disruptions, while indebtedness was talked about as both something to be avoided, but also as inevitable and necessary. Participants did also make reference to longer term timescales, in order to situate and emphasise that their current financial circumstances were temporary: things had been better in the past, and would hopefully be better again in the future.

Spending social security money. When it came to spending money, the majority of participants drew a distinction between spending on what can be described as 'needs' and 'wants'. 'Needs' constituted items of expenditure that were seen as essential in some way, and most often consisted of rent, food, bills, travel, and children's clothes. Money was carefully marshalled in order to meet 'needs'. Some participants also spoke about meeting what can be termed 'social needs', which related to explicitly fulfilling some sort of perceived social obligation, including, for example, fulfilling one's role as a parent by paying for a child's participation in social or sports activities. Spending on 'wants', which involved spending on 'treats' or 'luxuries' but also spending in a carefree or unplanned manner, was something that the majority of participants spoke about as having happened in the past and perhaps happening again in the future.

"I wouldn't spend on the cinema now until I get a job as well, so, I wouldn't like, I'd want to put my needs first, and then my wants afterwards."

Sam

Policy Implications

The findings of the research have implications for policy reform that span the design and delivery of working-age social security benefits. Two of the main potential areas for reform are summarised here:

1. *Reintroducing or bolstering choice and control for social security claimants.* It was found that participants had to take responsibility, and cope with, managing their social security money, but often had very little *control* over many aspects of their social security receipt. Recipients could, among other things:
 - a) Be given the freedom to choose *when* they receive their payments, including on which day of the week, and at what time interval. This would recognise and support the multiplicity of ways in which claimants currently organise their monies. For

example, this choice would allow claimants to align payment receipt with receipt of wages, payment of important bills, or other ways in which they structure the organisation of their monies.

b) 'Old' or 'low literacy' money management techniques could be further recognised and incorporated into [formal money management initiatives](#). It was found that participants used techniques and tools such as dealing in cash instead of using electronic forms of payment, paying bills manually instead of using direct debits, and storing small amounts of money using cash instead of bank accounts. These techniques were about establishing control in the context of living on a low income and should be recognised as such.

2. *Reforming the nature of Jobcentre meetings and interactions*, which were often experienced highly negatively. The roll out of Universal Credit means many more claimants will be attending the Jobcentre, including in-work claimants. The roll out also presents an opportunity to reassess the training, workloads, and expectations of frontline staff. This could shift claimants' experiences of the Jobcentre from the predominantly negative, punitive experiences found in this study towards a more positive, supportive one. The ongoing changes to the Scottish social security system that have formally placed the values of [dignity and respect](#) at its centre provide one potential model.

Concluding comment

The main findings of the thesis leave us with a final puzzle. On the one hand, participants, for the most part, were clear that they were honest, hardworking people, who were unlike the negative stereotypes of working-age benefit claimants. On the other hand, however, participants also generally accepted having to use and spend their social security benefit money in a way that placed them in a position where they lacked control in

various ways, and yet had to take responsibility for coping with highly adverse circumstances, and where they defined their needs as highly constrained and minimal. The working-age benefit system in the UK can be described as (increasingly) '[residual](#)', that is, social security benefits are a minimal safety net of last resort, and relatedly are often experienced punitively by those using it. The apparent contradiction found in the accounts of claimants can be understood as demonstrating a degree of acceptance of the current residual system: participants accepted, or at least did not challenge, the minimalistic provision of working-age benefits. We need to ask whether this residual version of provision is what we really want.

Editorial note

The author is very grateful to the participants of this research, who gave up their time and talked at length about aspects of their personal lives.

This CASEBrief reports findings from Dr Kate Summers' thesis, which is available here: <http://etheses.lse.ac.uk/3794/>

Kate completed her PhD in Social Policy in 2018 at the LSE, where she was based in the Centre for Analysis of Social Exclusion and the Department for Social Policy. Kate is now a Fellow in the Methodology Department at the LSE. Her research interests are centred around poverty, economic inequality, and related social policies, in the UK context.

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Dr Kate Summers is happy to be contacted with any comments and questions, and for press enquiries. She also welcomes opportunities for potential collaboration.

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Centre for Analysis of Social Exclusion

The Centre for Analysis of Social Exclusion (CASE) is a multi-disciplinary research centre based at the London School of Economics and Political Science (LSE), within the Suntory and Toyota International Centres for Economics and Related Disciplines (STICERD). Our focus is on exploration of different dimensions of social disadvantage, particularly from longitudinal and neighbourhood perspectives, and examination of the impact of public policy.

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