

DWP Central Freedom of Information Team

e-mail: freedom-of-information-request@dwp.gsi.gov.uk

Our Ref: FoI 3238

DATE: 5 October 2016

Dear Mr Flint,

Thank you for your Freedom of Information request of 5 September 2016. You asked:

Could you please send me the technical specifications and scopes pertaining to the Department of Work and Pensions trial of Govcoin distribution ledger technology (also known as "blockchain" technology), along with any documents detailing the desired measurable outcomes of the project?

The information you requested regarding the technical specifications and scopes pertaining to the trial of Govcoin is commercial in confidence.

The DWP works continuously with industry partners to identify and test new innovations that could save taxpayer money, safeguard information and better protect payments to customers.

DWP has thus worked with GovCoin to facilitate a small privately funded Proof of Concept (PoC) including around 25 participants to explore the application of the new technology in promoting financial education, benefit, inclusion, security and control for the benefit of claimants themselves.

The small scale proof of concept study involving blockchain technology is expected to last 3-6 months with the results available in the last quarter of 2016. It uses a private permissioned distributed ledger to allow participants to store their transactions, including payments from DWP. Those transactions can then be viewed securely on a mobile application so that they can, if they wish, monitor and allocate their spending into categories, check their available balance and plan future spending.

The data from the proof-of-concept study is anonymised and aggregated before it reaches DWP, which will be evaluated qualitatively. The study is looking at the following specific areas:

- Adoption. Will this group of consumers use mobile based payments? What do they gain from the experience? Does their behaviour change?
- Technology. Does the recording of transactions on a private permissioned distributed ledger ensure that the application securely and cost effectively delivers the requirements, and maintain the claimants' privacy? Is it scalable?

- Operations. What are the administrative implications of such scaling? What learnings can be gained for implementing on a wider or deeper (higher functionality) basis?

DWP and GovCoin aim for UK citizens to be amongst the first to benefit from the use of distributed technology based, consumer centred applications.

If you have any queries about this letter please contact me quoting the reference number above.

Yours sincerely,

DWP Strategy Fol Team

Your right to complain under the Freedom of Information Act

If you are not happy with this response you may request an internal review by e-mailing freedom-of-information-request@dwpgsi.gov.uk or by writing to DWP, Central Fol Team, Caxton House, Tothill Street, SW1H 9NA. Any review request should be submitted within two months of the date of this letter.

If you are not content with the outcome of the internal review you may apply directly to the Information Commissioner's Office for a decision. Generally the Commissioner cannot make a decision unless you have exhausted our own complaints procedure. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow Cheshire SK9 5AF www.ico.gov.uk