THE
BEHAVIOURAL
INSIGHTS TEAM

IN PARTNERSHIP WITH | Cabinet Office

How small changes can make a big difference

Local Trust event, 27 May 2017

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Objectives for today

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- Introduction to behavioural insights
- EAST Framework for applying behavioural insights
- Workshop some of your challenges

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Introduction to behavioural insights

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A lot of our decisions happen in System 1

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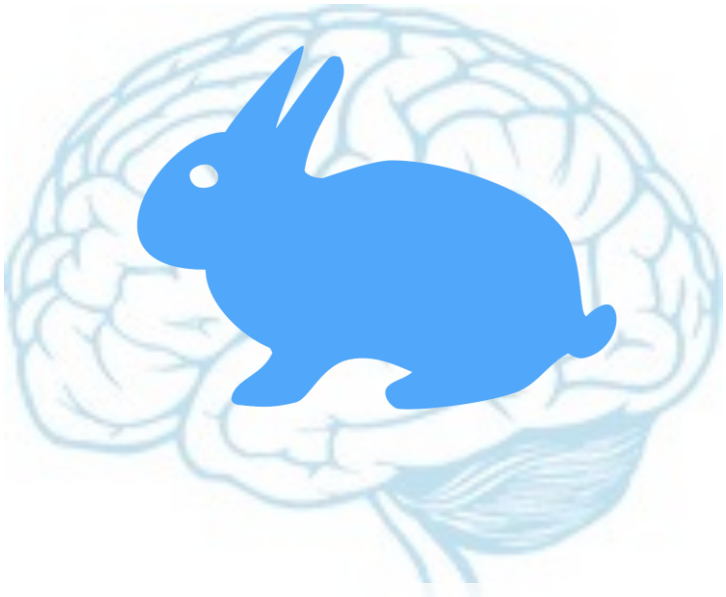
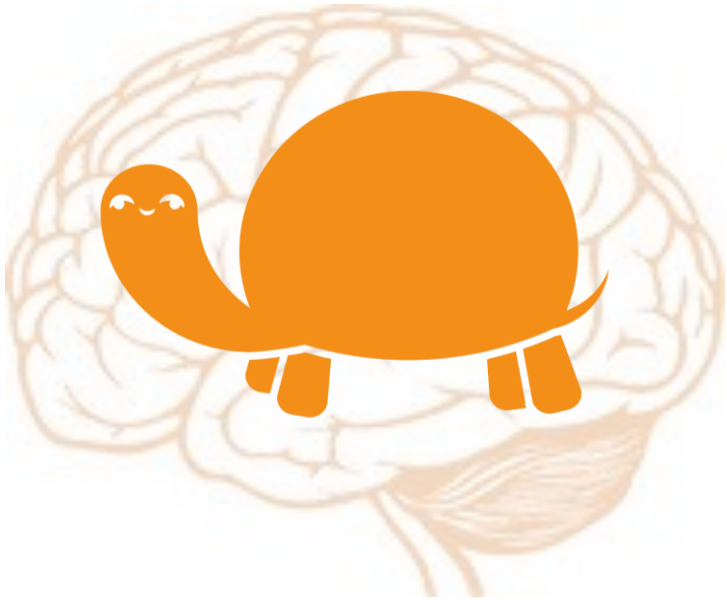
System 1



Fast thinking/Automatic
intuitive, effortless

e.g., Taking your daily commute

System 2



Slow thinking/Reflective
deliberate, analytic

e.g., Planning a trip overseas

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Humans are not robots

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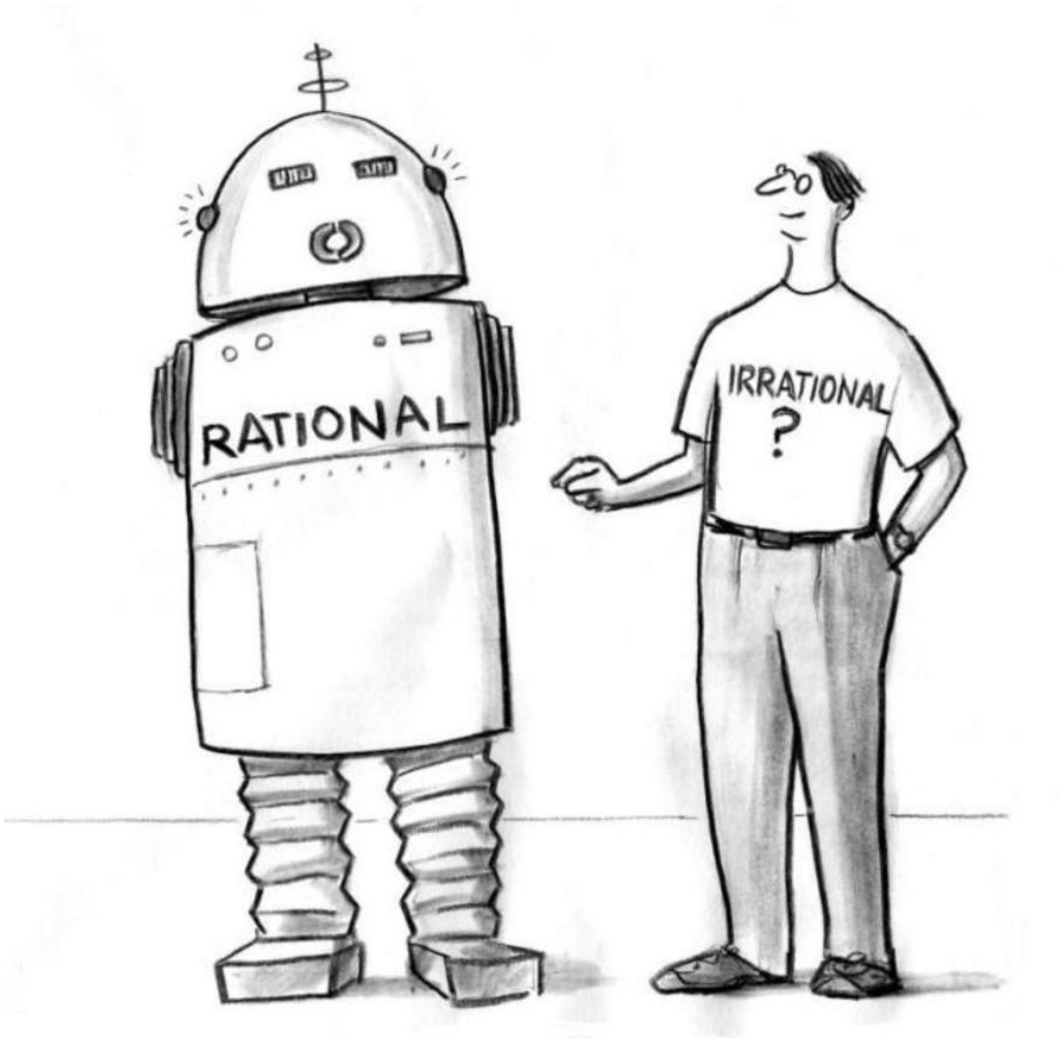

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When dealing with complexity, we tend to stick with defaults rather than make an active choice

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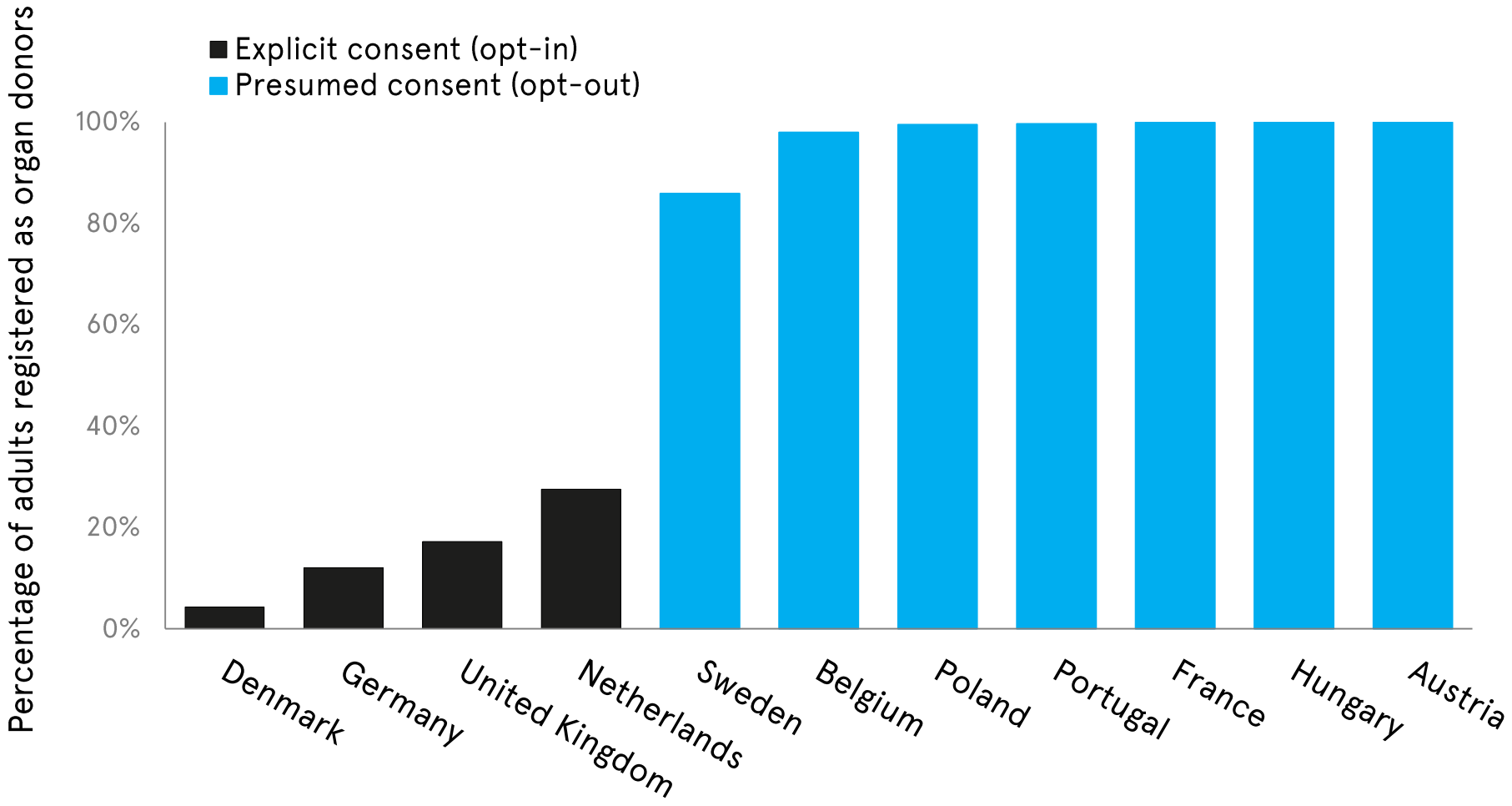

Source: Johnson & Goldstein (2003) Do defaults save lives?

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When financial incentives `crowd out' civic duty

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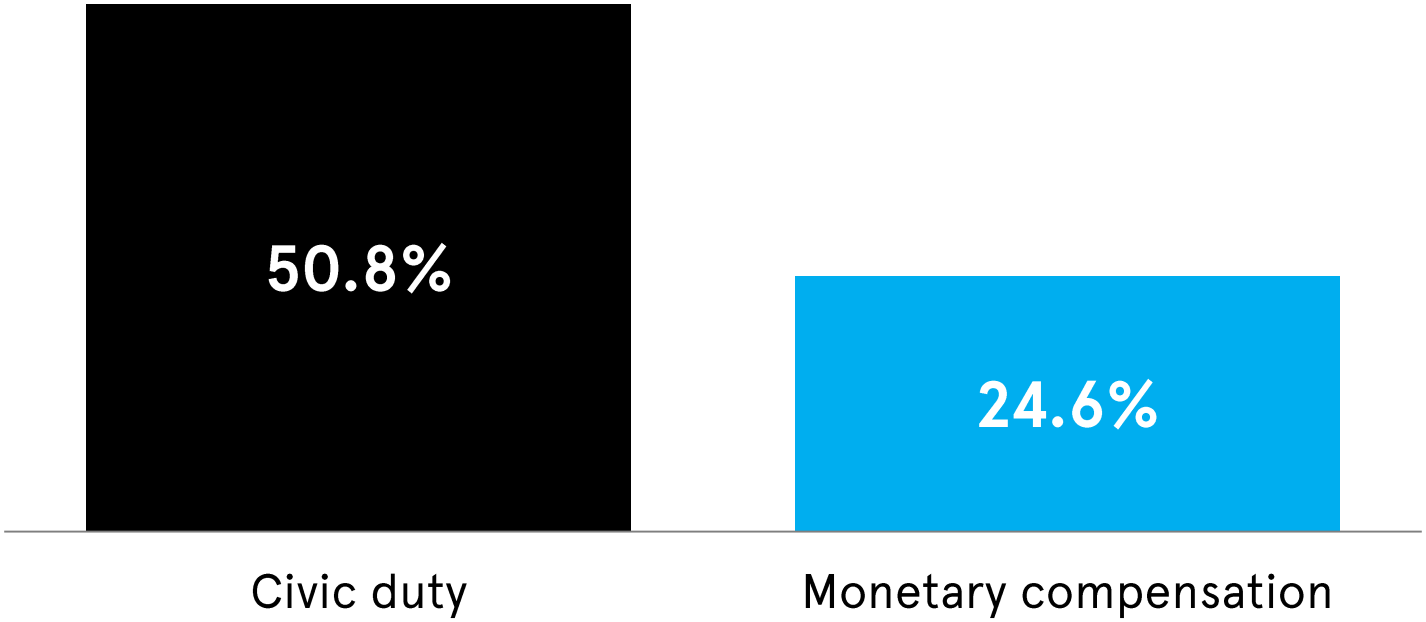
Percentage of residents agreeing to development of a nuclear waste facility nearby



Source: Frey & Oberholzer-Gee (1997) The cost of price incentives

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BIT's EAST framework

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We measure our impact using Randomised Controlled Trials

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Easy

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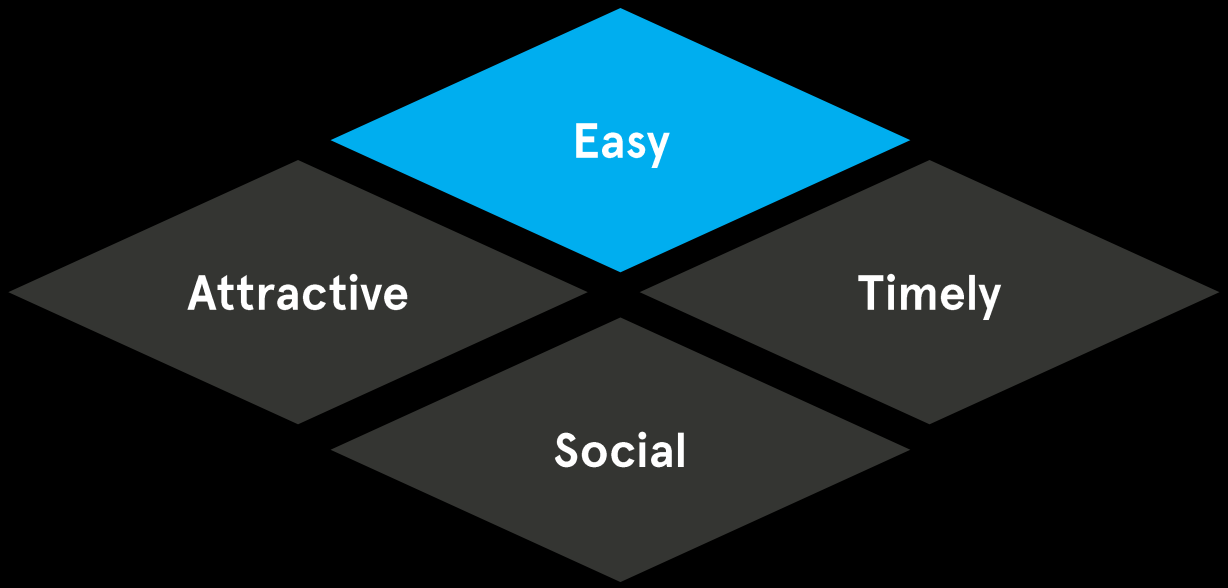

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Examples of making it easy

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Pick the right defaults

Remove friction costs

Simplify messages

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How do you get people to file a tax return?

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Letters sent to taxpayers who failed to submit a tax declaration on time

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HM Revenue & Customs

HM Revenue & Customs
Tax Return Initiative Team
2nd Floor
Holland House
20 Oxford Road
Bournemouth
BH8 8DZ

«CustomerName»
«Address1»
«Address2»
«Address3»
«Address4»
«Address5»
«Postcode»

Phone 0845 601 8818
Monday to Friday 9am to 5pm

www.hmrc.gov.uk

Date «Date_of_Issue»
Our ref TRI REM1a «Ref»
Your ref Please quote your National Insurance number when you contact us.

Dear «Salutation»

This is your last chance to make sure your tax affairs are up to date before we take action.

To resolve this, visit our website at: www.hmrc.gov.uk/campaigns/tri-form.pdf or contact us on 0845 601 8818.

You are one of the few people who still need to submit their late tax returns for 2009-10 or earlier.

Previously we assumed this was an oversight, but if you fail to send us your outstanding tax return(s) by 2 October 2012, we will treat it as an active choice.

Although I fully expect you to send in your return(s) before 2 October 2012, you may be interested to know what happens to those who decide not to. We may estimate the amount of tax they owe for each year and enforce payment by taking them to court or by asking a debt collection agency to collect it for us. Alternatively we may refer such cases for Criminal Investigation with a view to prosecution.

If you have recently submitted your return(s) you need take no further action.

Yours sincerely

M Wilson

Dr Marian Wilson
Campaign Deputy Director

Information is available in large print, audio and Braille formats.
Text Relay service prefix number – 18001

RISCAN TRI REM1a HMRCC0612

HM Revenue & Customs

HM Revenue & Customs
Tax Return Initiative Team
2nd Floor
Holland House
20 Oxford Road
Bournemouth
BH8 8DZ

«CustomerName»
«Address1»
«Address2»
«Address3»
«Address4»
«Address5»
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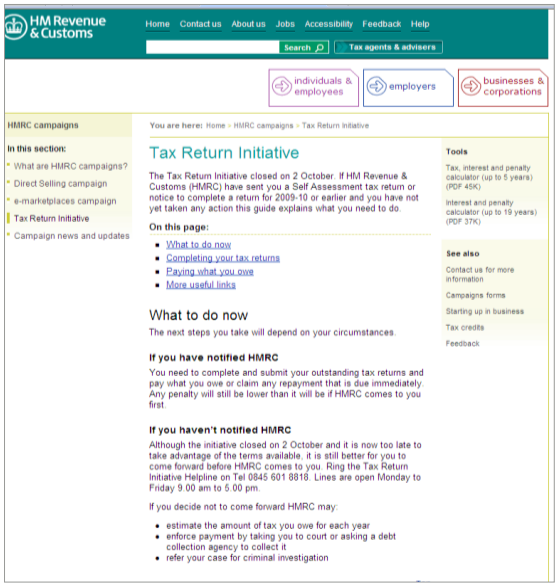
RISCAN TRI REM1a HMRCC0612

Webpage


HM Revenue & Customs

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Search Tax agents & advisers

individuals & employees | employers | businesses & corporations

HMRC campaigns

In this section:
- What are HMRC campaigns?
- Direct Selling campaign
- e-marketplaces campaign
- Tax Return Initiative
- Campaign news and updates

You are here: Home > HMRC campaigns > Tax Return Initiative

Tax Return Initiative

The Tax Return Initiative closed on 2 October. If HM Revenue & Customs (HMRC) have sent you a Self Assessment tax return or notice to complete a return for 2009-10 or earlier and you have not yet taken any action this guide explains what you need to do.

On this page:
- What to do now
- Completing your tax returns
- Paying what you owe
- More useful links

What to do now

The next steps you take will depend on your circumstances.

If you have notified HMRC

You need to complete and submit your outstanding tax returns and pay what you owe or claim any repayment that is due immediately. Any penalty will still be lower than it will be if HMRC comes to you first.

If you haven't notified HMRC

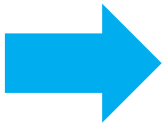
Although the initiative closed on 2 October and it is now too late to take advantage of the terms available, it is still better for you to come forward before HMRC comes to you. Ring the Tax Return Initiative Helpline on Tel 0845 601 8818. Lines are open Monday to Friday 9.00 am to 5.00 pm.

If you decide not to come forward HMRC may:
- estimate the amount of tax you owe for each year
- enforce payment by taking you to court or asking a debt collection agency to collect it
- refer your case for criminal investigation

Tools
Tax, interest and penalty calculator (up to 5 years) (PDF 45K)
Interest and penalty calculator (up to 19 years) (PDF 37K)

See also
Contact us for more information
Campaigns forms
Starting up in business
Tax credits
Feedback

Direct to form



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Removing small frictions makes a big difference

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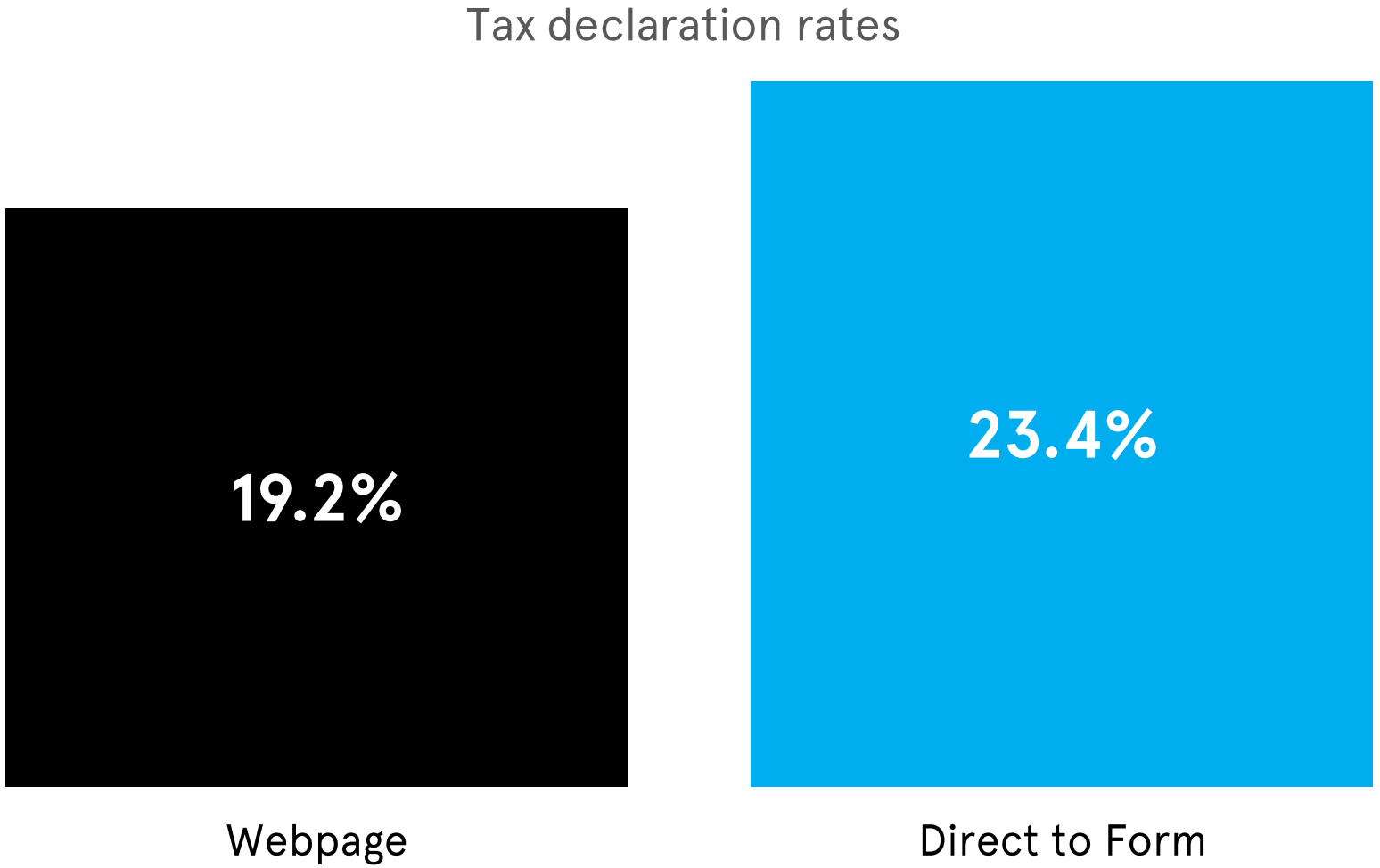

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Attractive

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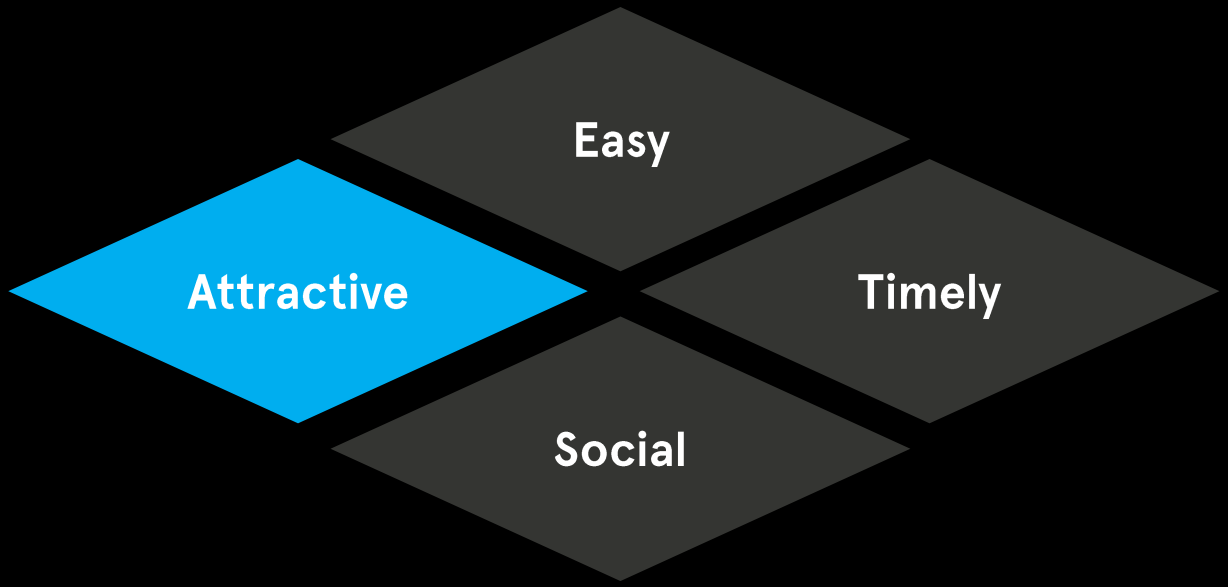

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Examples of making it attractive

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Personalise

Rewards and incentives

Ego and emotions

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How do you encourage businesses to take-up professional advice?

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Control	Thousands of businesses are benefiting from professional advice. Now Growth Vouchers cover half the cost of getting professional advice for your business. Click here to apply
Time limited	Growth Vouchers is a government scheme that covers up to half the cost of getting professional advice for your business. **The vouchers are only available for this financial year so don't miss out.** Click here to apply.
You have been chosen	**You have been chosen** to receive information about Growth Vouchers as **we think you may be eligible** for this scheme. Growth Vouchers cover half the cost of getting professional advice. Click here to apply.
Everyone is doing it	**Thousands of businesses are applying for Growth Vouchers.** It's a government scheme that covers up to half the cost of getting professional advice for your business. Click here to apply.
£2,000	**Growth Vouchers offer up to £2,000** from government to cover half the cost of getting professional advice for your business. Click here to apply.

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Click-through rates for the different emails

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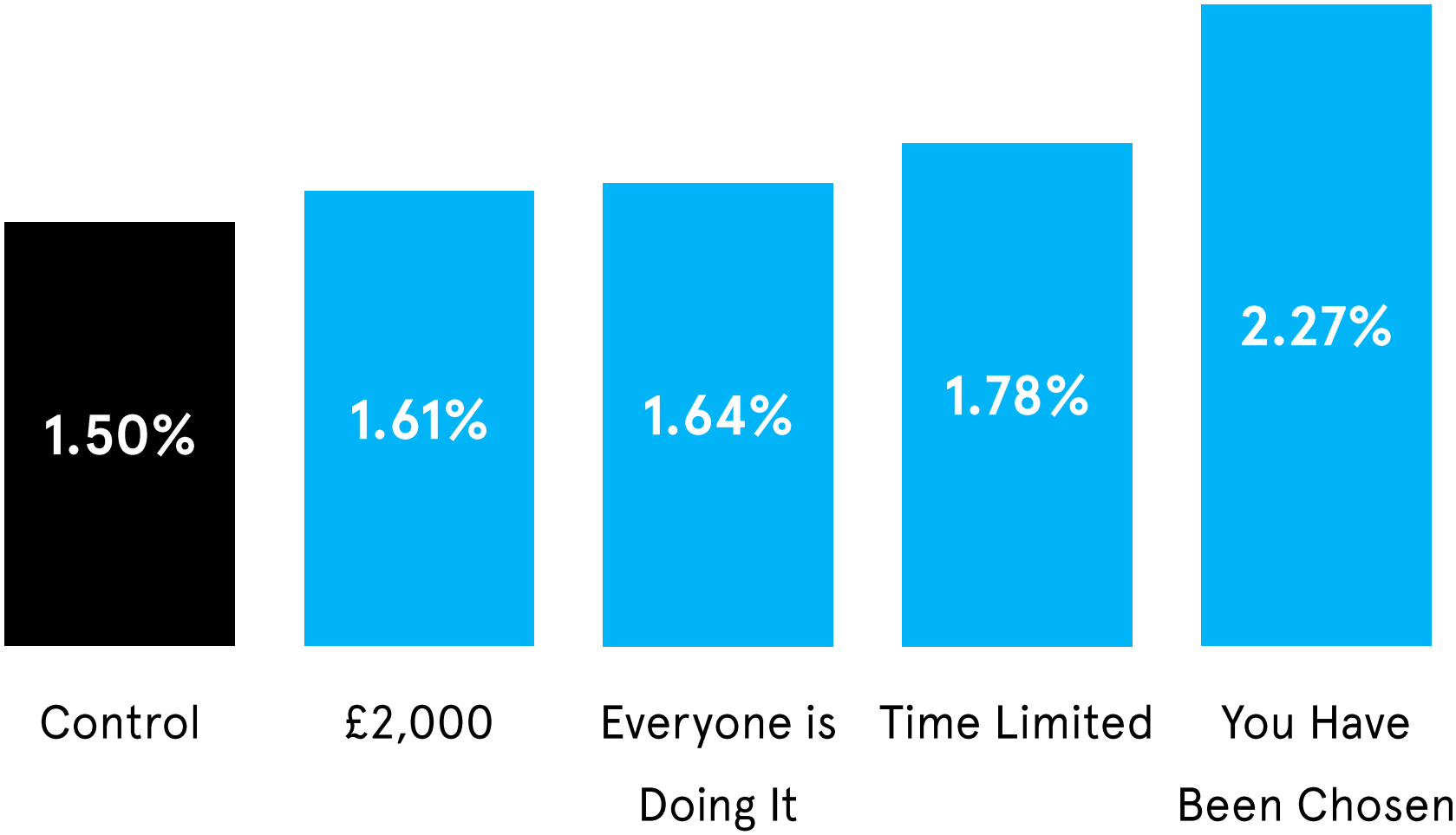

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Social

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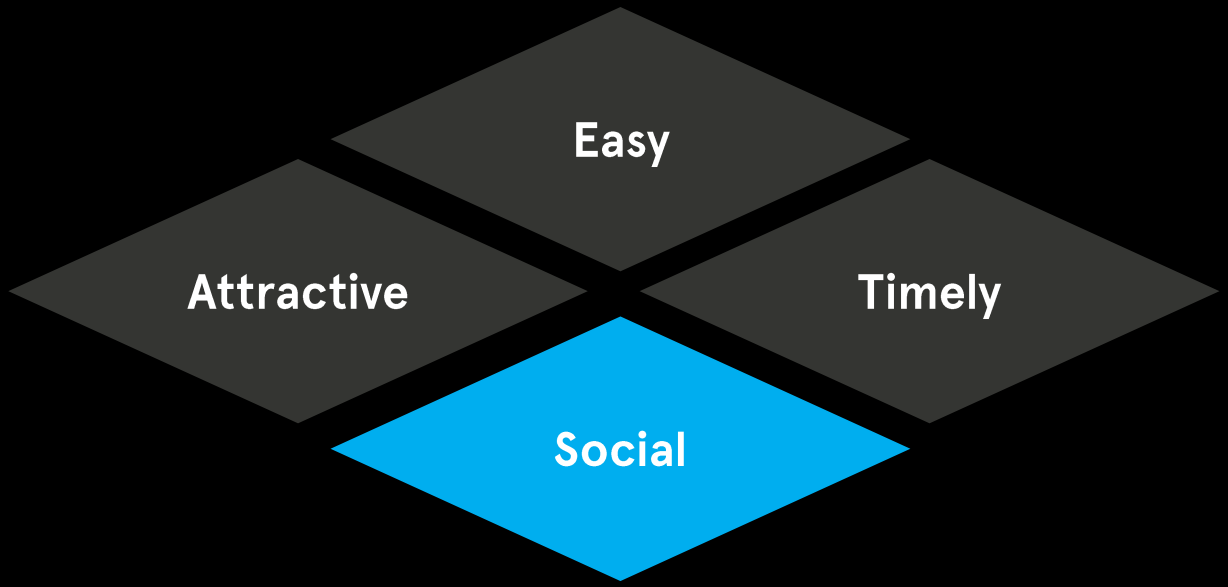

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Examples of making it social

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Social norms

Messenger effects

Reciprocity

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How do you encourage high achieving pupils from disadvantaged backgrounds to apply to competitive universities?

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Letter from a 'similar' pupil currently studying at Bristol University

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Department for Education

Please send any queries to:
Department for Education
Sanctuary Buildings
Great Smith Street
London
SW1P 3BT
www.education.gov.uk/help/contactus/dfe

[Full name]
[House number]
[Street]
[Town / City]
[Postcode]

A message from Rachel Prescott, currently studying at University of Bristol

Dear [Forename]

You may have received a letter from Ben, a student at the University of Bristol, congratulating you on your fantastic GCSE results. I'd like to add my congratulations! I am also studying at the University of Bristol – and wanted to follow up Ben's letter by reminding you that, with the grades you have achieved, you have more options open to you than most.

When I received my GCSE results in 2010, I had good grades and wanted to continue my education, but had no idea where to start looking. I decided to apply to university and after doing some research online and attending several open days I realised that there are so many opportunities to study at prestigious universities for students who have achieved grades like yours and mine.

I remember how difficult it was to choose a University. Each one is so different and you'll have many things to consider when deciding, such as the type of courses they offer and where they are based. The majority of people assume that the more prestigious universities are the most costly. This is not necessarily true, as these universities often provide larger grants or bursaries (money you are given and don't have to pay back) and government maintenance loans are more generous if you do choose to live away from home. I now live 200 miles from home, but have not suffered financially for doing so.

It's a very exciting time – but also important as the choices you make will affect your future. I would advise you to do plenty of research, visit open days and speak to students and lecturers. To remind you of the websites that can help, http://university.which.co.uk/ gives you honest advice about different places you could choose, www.gov.uk/student-finance and www.moneysavingexpert.com/students/student-loans-guide can help with any financial questions you may have.

I hope this letter helps you to realise that you've a great future ahead of you.

Yours sincerely,

Research has shown that providing young people with better information on the costs and benefits of attending different universities helps them make better decisions about their future. The Department for Education has arranged for pupils that have performed very well in their GCSEs to receive letters from a current university student explaining how to find out more.

"Back in 2009, I was in exactly the same position as you... I came to realise that people with grades like you and me are in high demand from very prestigious universities."

Ben Cole, University of Bristol

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Russell Group acceptances increased 34%

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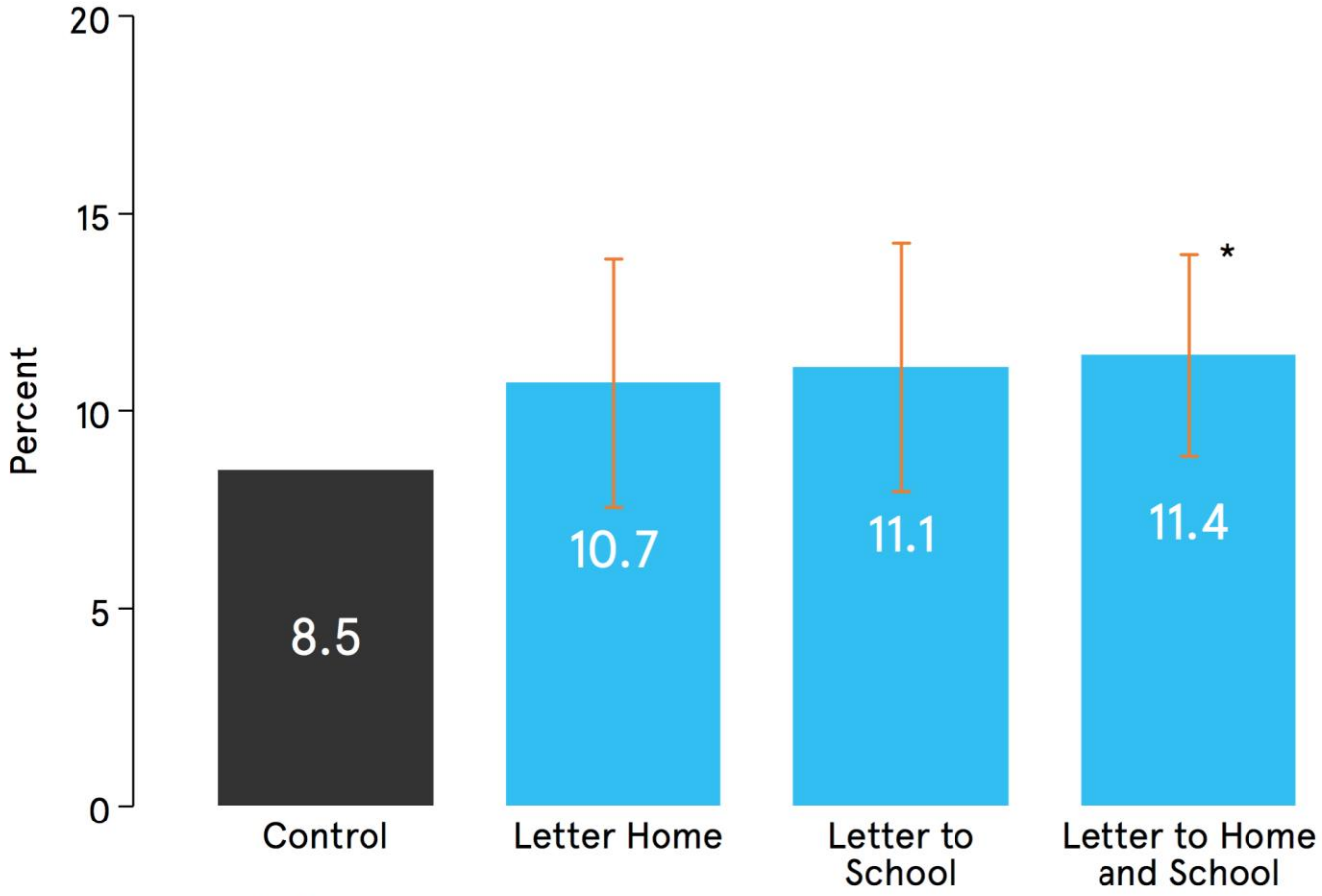

Total N=11,104

*** p<0.001, ** p<0.01, * p<0.05, + p<0.1

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Timely

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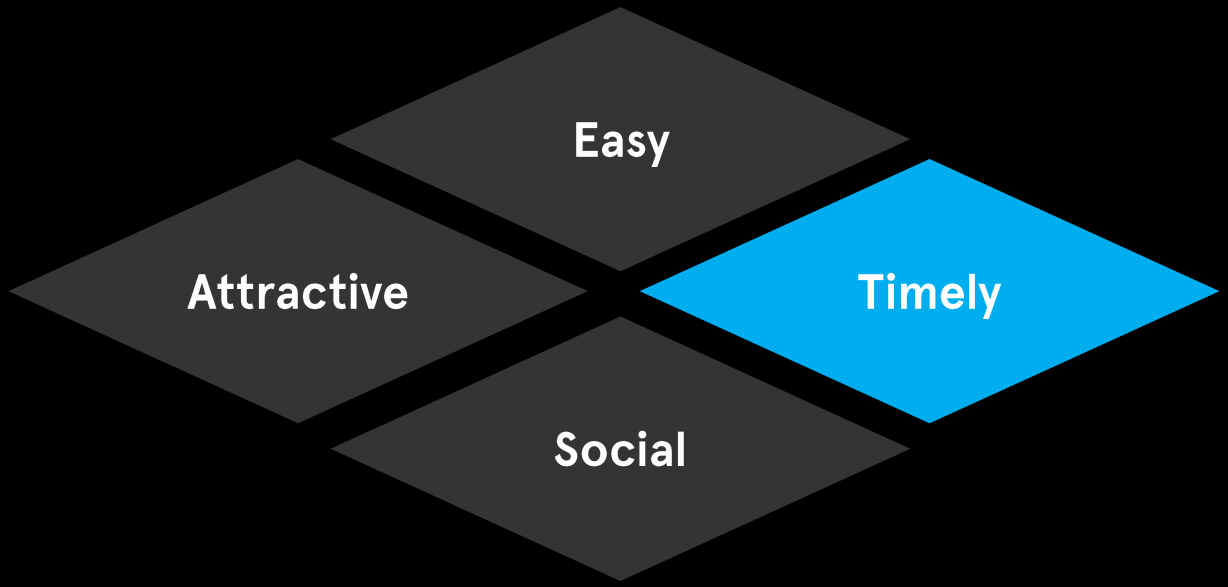

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Examples of making it timely

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Prompts

Planning

Discounting

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How can we improve the diversity of the police?

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We asked candidates to think about their values to overcome `stereotype threat'

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Arm	Email content
Treatment	*"Before you start the test, I'd like you to take some time to think about why you want to be a police constable. For example, what is it about being a police constable that means the most to you and your community?"*
Control	Standard email

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Our email closed the gap in the percentage of white and BME candidates that passed the test

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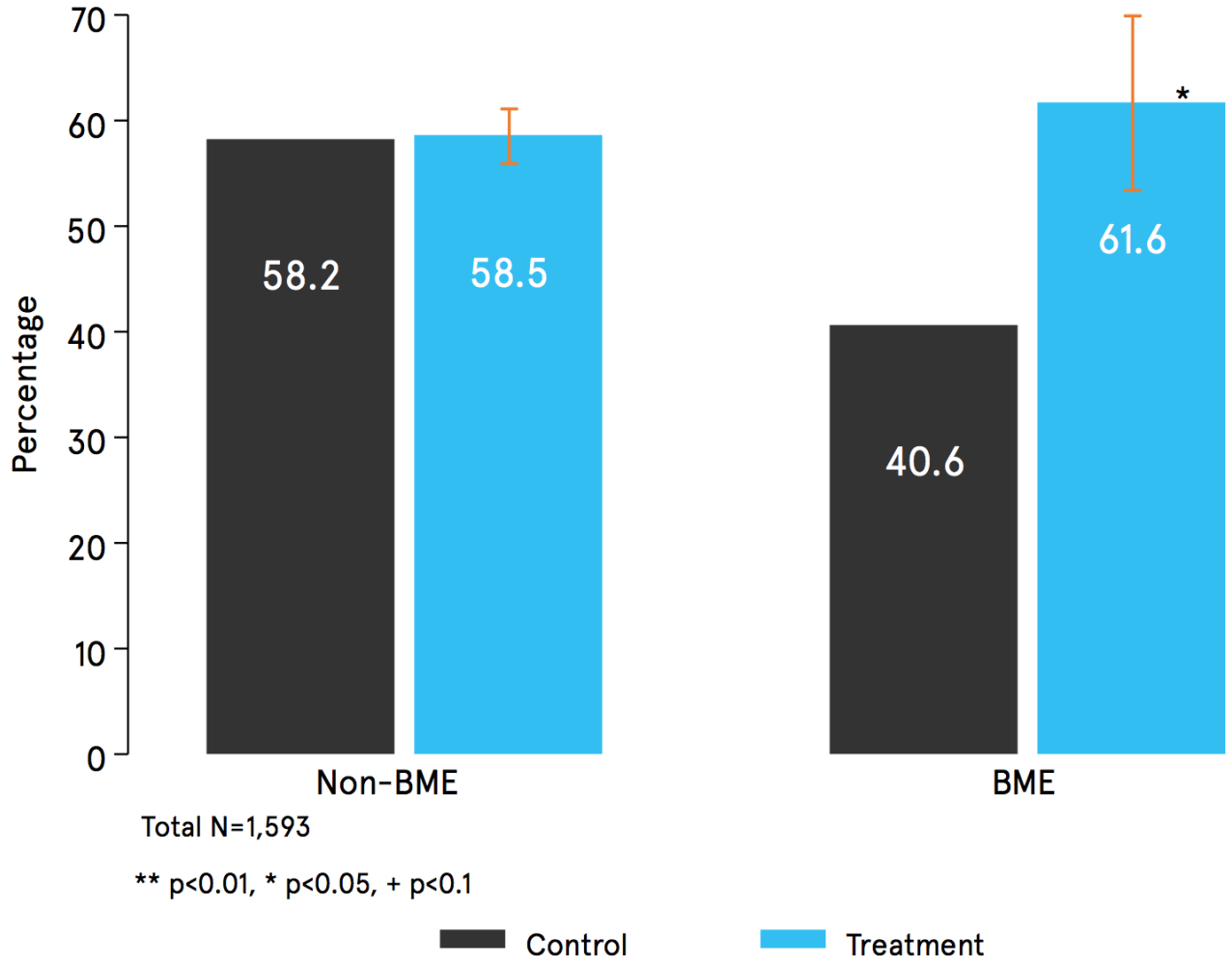

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EAST: summary

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E Make it **easy**

- Use the power of defaults
- Reduce the barriers to taking up a service
- Simplify messages

A Make it **attractive**

- Attract attention
- Design rewards and sanctions for maximum effect
- Personalise

S Make it **social**

- Show that most people perform the desired behaviour
- Use the right messenger
- Ask people to give something in return

T Make it **timely**

- Prompt people when they are likely to pay attention
- Consider the immediate costs and benefits
- Help people plan their response to events

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Resources available on our website

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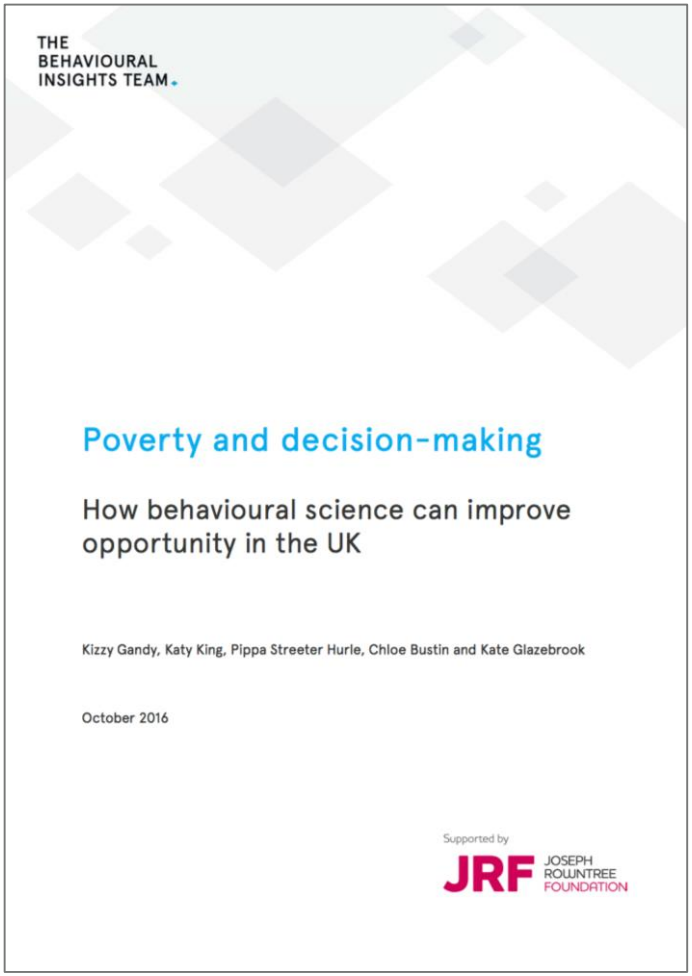

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Dr. Kizzy Gandy, Senior Advisor
kizzy.gandy@bi.team

Thank you

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