THE BEHAVIOURAL INSIGHTS TEAM

IN PARTNERSHIP WITH Cabinet Office

Applying Behavioural Insights to Public Policy

Kizzy Gandy

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Outline

THE BEHAVIOURAL INSIGHTS TEAM

History and who we are

What we have achieved

How we do it

The future

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THE BEHAVIOURAL INSIGHTS TEAM

History

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“Our government will find intelligent ways to encourage, support and enable people to make **better choices for themselves**.”

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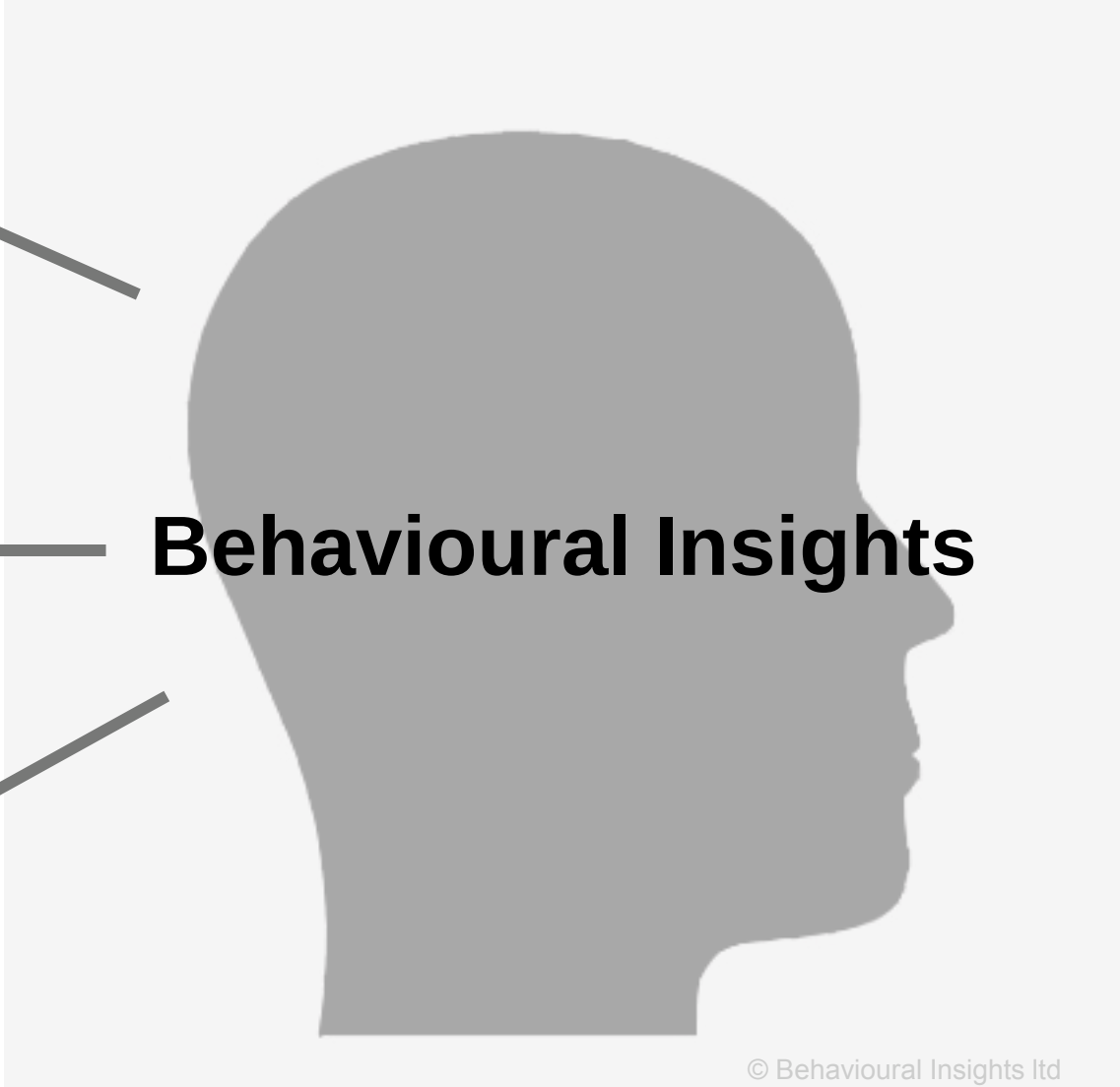
Traditional policy levers

THE BEHAVIOURAL INSIGHTS TEAM

1. Regulation
2. Incentives
3. Information



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How to apply Behavioural Insights to public policy

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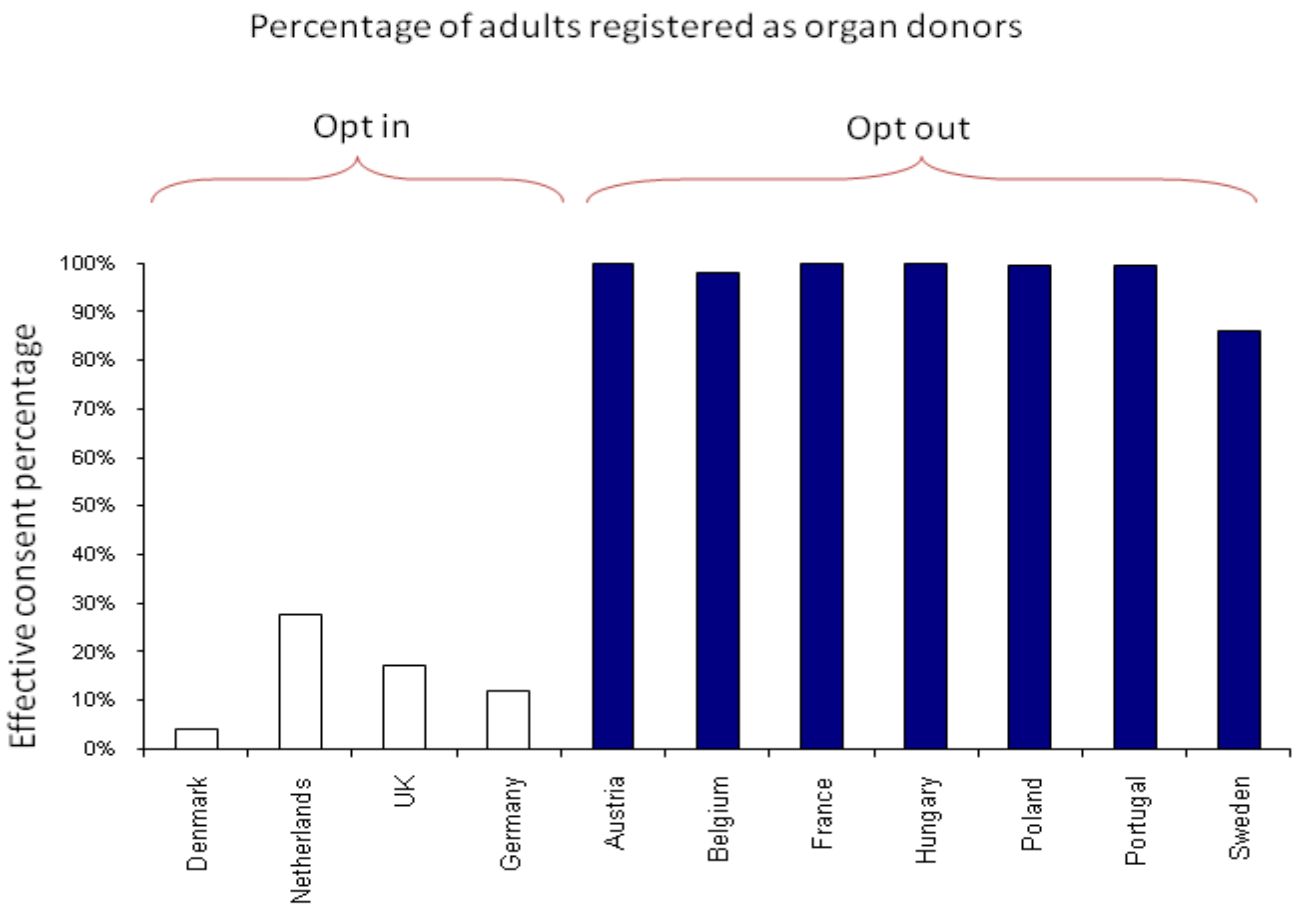

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INSIGHTS TEAM

A game...

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GOV.UK

Home

Service

Thank you.

Please join the NHS Organ Donor Register.

Join or find out more.

1. Control

GOV.UK

Home

Service

Thank you.

Please join the NHS Organ Donor Register.

Every day thousands of people who see this page decide to register.

Join or find out more.

2. Norm

GOV.UK

Home

Service

Thank you.

Please join the NHS Organ Donor Register.

Every day thousands of people who see this page decide to register.

Join or find out more.

3. Norm & Picture

GOV.UK

Home

Service

Thank you.

Please join the NHS Organ Donor Register.

Every day thousands of people who see this page decide to register.

NHS

organdonation.nhs.uk

Join or find out more.

4. Norm & Logo

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GOV.UK

Home

Service

Thank you.

Please join the NHS Organ Donor Register.

Three people die every day because there are not enough organ donors.

Join > or find out more.

5. Three Die

GOV.UK

Home

Service

Thank you.

Please join the NHS Organ Donor Register.

You could save or transform up to 9 lives as an organ donor.

Join > or find out more.

6. Nine Lives

GOV.UK

Home

Service

Thank you.

Please join the NHS Organ Donor Register.

If you needed an organ transplant would you have one? If so please help others.

Join > or find out more.

7. Reciprocity

GOV.UK

Home

Service

Thank you.

Please join the NHS Organ Donor Register.

If you support organ donation please turn your support into action.

Join > or find out more.

8. Action

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Name	Message	Image
1. Control		
2. Norm	Every day thousands of people who see this page decide to register.	
3. Norm & Picture	Every day thousands of people who see this page decide to register.	Group of people
4. Norm & Logo	Every day thousands of people who see this page decide to register.	Heart Logo
5. Three Die	Three people die each day because there are not enough organ donors.	
6. Nine Lives	You could save or transform up to nine lives as an organ donor.	
7. Reciprocity	If you needed an organ transplant would you have one? If so, please help others.	
8. Action	If you support organ donation, please turn you support into action.	

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Proportion joining the organ donor register after a simple online prompt

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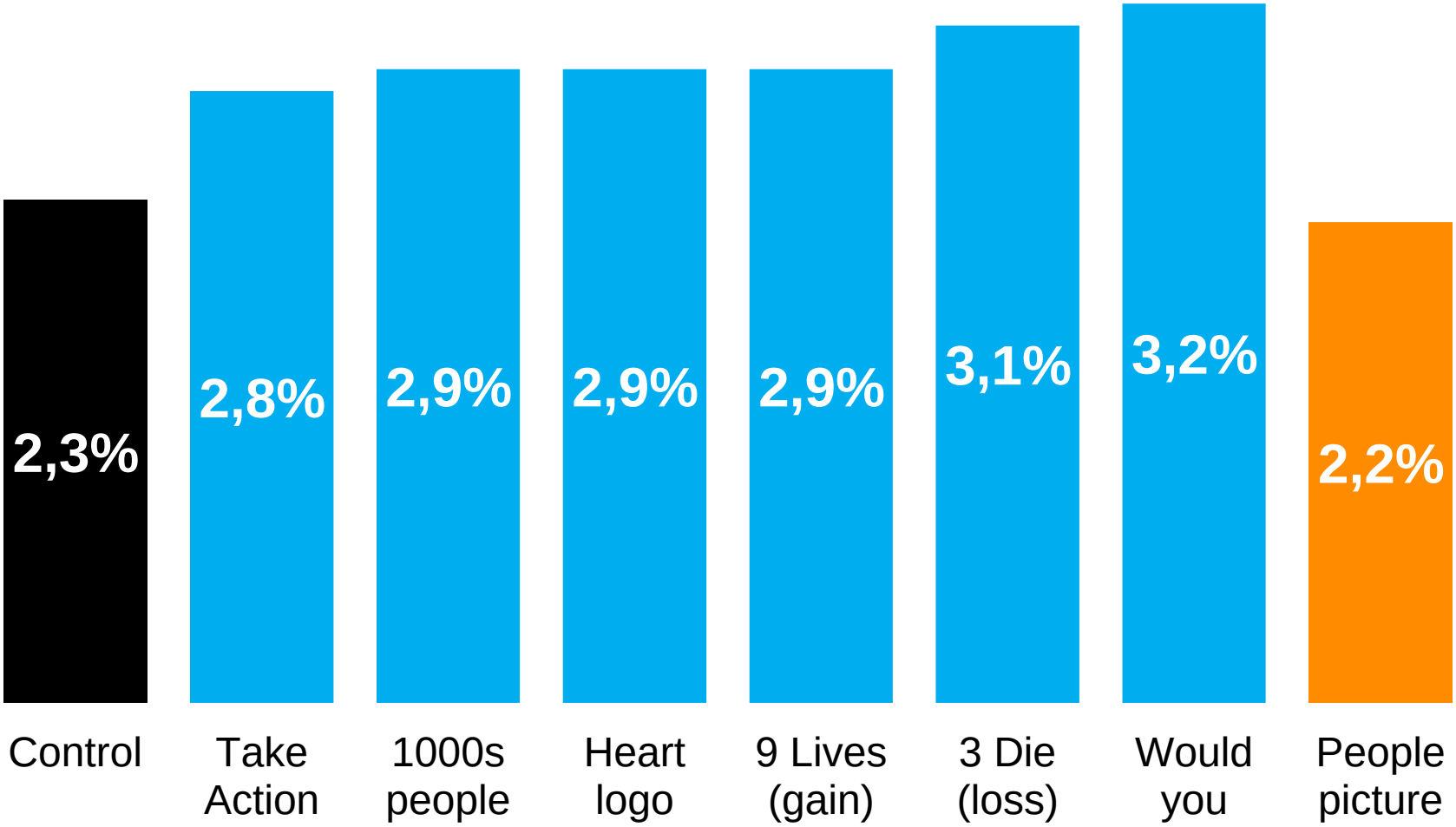

All treatment arms were statistically significant

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Our organ donation trial will add 100,000 organ donor registrations each year.

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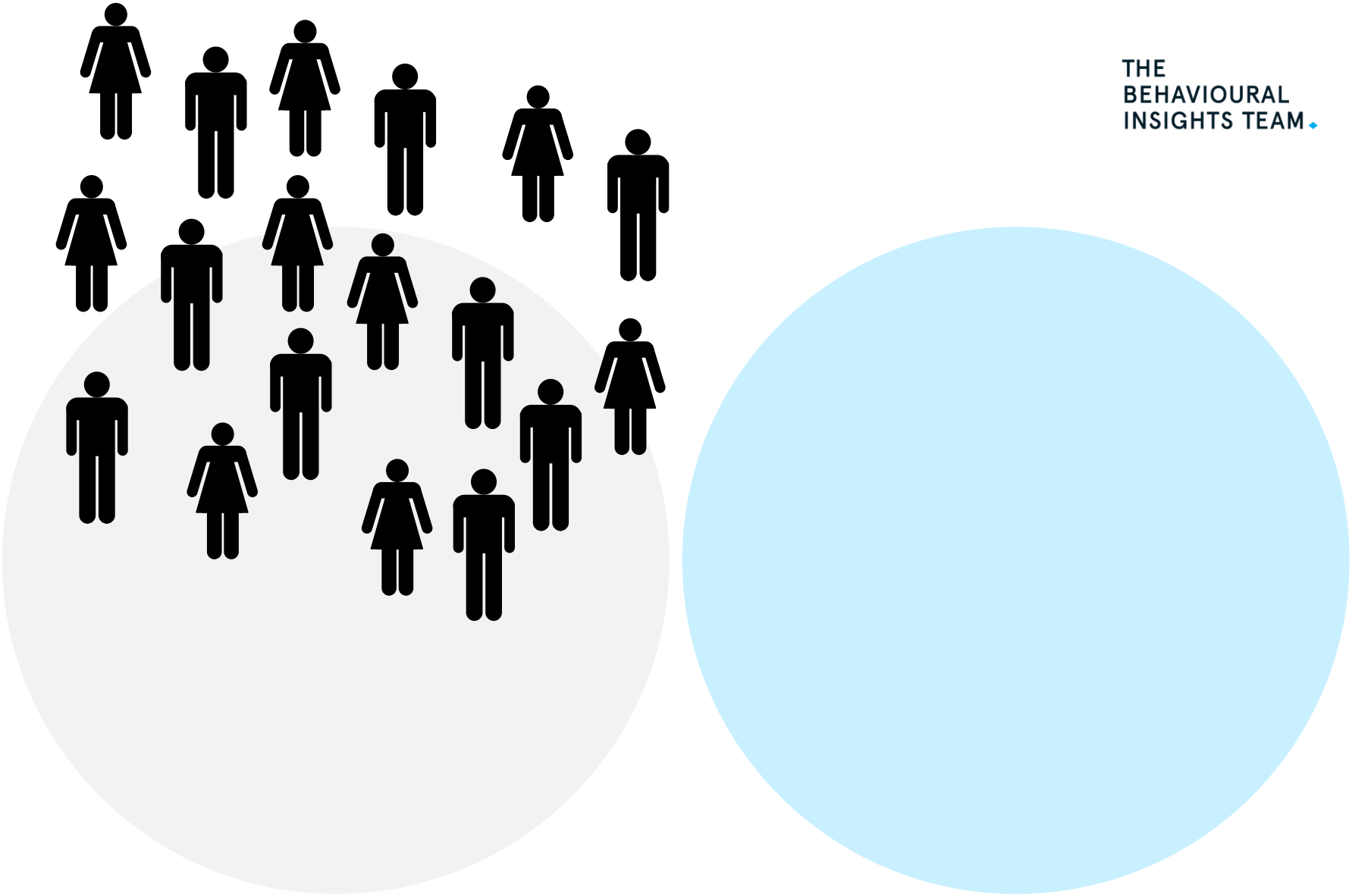

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The basic principle for an RCT is simple:

- divide the population you are studying into a control group and intervention group(s); and
- find out what happens when you introduce your intervention relative to doing nothing or continuing with a previous policy (see diagram)

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UN calls for help of Cameron's 'nud
unit'

All in the Mind
The "Nudge" to Good Behaviour

The Ministry of Mind Contr
May 2013 | By Sarah Townsend

HOME » COMMENT » COLUMNISTS » ALASDAIR PALMER
David Cameron is nudging us in the rig
The Coalition's 'Nudge Unit' offers a novel way of persuadi

September 15, 2011 12:11 am
PM's nudgers score notable successes
By George Parker, Political Editor
David Cameron's enthusiasm for "nudging" people to make the right choices could save the taxpayer hundreds of millions of pounds over the course of the parliam

Whitehall 'Nudge

News Politics
The nudge unit – has it worked so far?
Since 2010 David Cameron
finding ways to improve so
'nudge unit' is going into b
initiatives really worked?

Leo Benedictus
The Guardian, Thursday 2 May 2013

Interview | McKinsey Quarterly
Nudging the world toward sm
interview with Richard Thale

Give us a nudge and we'll behave ourselves
Daniel Finkelstein

News > UK > UK Politics
How organ donation is getting nudge in the right direction: trial could pave way for 100,000 extra donors each year

Spending Review | G8 | Conservatives | Liberal Dem

HOME » NEWS » POLITICS
Inside the Coalition's controversial 'Nudge Unit'
Deep inside Whitehall, psychologists are finding ways to make you insulat
pay your taxes, and even quit smoking. Is the Coalition's controversial 'Nu
finally paying off?

Effective things can come from s
places
Even if you're wrong about how something works, it
work

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Who we are now

THE BEHAVIOURAL INSIGHTS TEAM

Richard Thaler

Nick Chater

Theresa Marteau

Gus O'Donnell

Dan Goldstein

Maurice Biriotti

Peter John

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Where we work

THE BEHAVIOURAL INSIGHTS TEAM

Social purpose company

THE BEHAVIOURAL INSIGHTS TEAM

Our objectives remain the same: making public services more cost-effective and easier for citizens to use; improving outcomes by introducing a more realistic model of human behaviour to policy; and wherever possible, enabling people to make ‘better choices for themselves’.

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INSIGHTS TEAM

Achievements

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Results achieved for little or no cost through simple changes to existing policies & services

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- Increased the proportion of bankers donating a day's salary by more than 100%
- Brought forward £210m in extra tax revenue to the UK government in 12 months
- Tripled tax payments in Guatemala
- Increased proportion of hospital prescription charts with correctly entered medication frequency from 11% to 96%
- Reduced the drop out rate from adult education by 36%
- Increased the probability that minority applicants to the police pass a recruitment test by 50%
- Encouraged injured workers in Australia to return to work 27% faster

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Approach

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A Behavioural Insights Team project is built around four main components – T.E.S.T.

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Target

Explore

Solution

Trial

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What is your objective?

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The objective is to: improve the efficiency of HM Courts Service

The objective is to: increase by 10% the payment rates of fines in the Kent, Surrey and Sussex Courts Service in the 10 day period before bailiffs are sent in

SMART OBJECTIVES: Specific, Measurable, Assignable, Realistic, Time-

WE ARE INTERESED IN CHANGING BEHAVIOUR – NOT ATTITUDES, NOT OPINIONS, NOT BELIEFS

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Understand the customer journey

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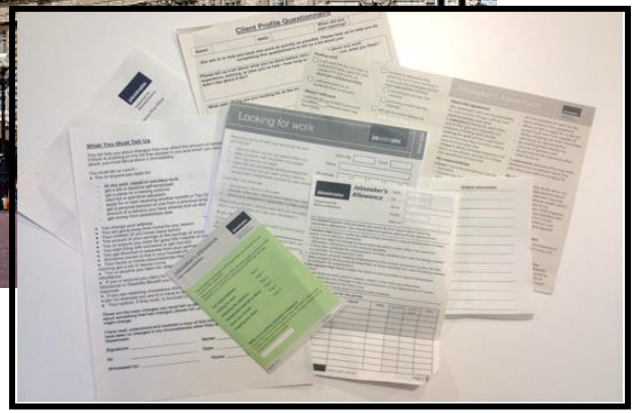

The aim is to find out how the existing process(es) actually work in practice, and to gain insights and buy in from those who'll be implementing the work

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How do you encourage people to pay their court fines on time?

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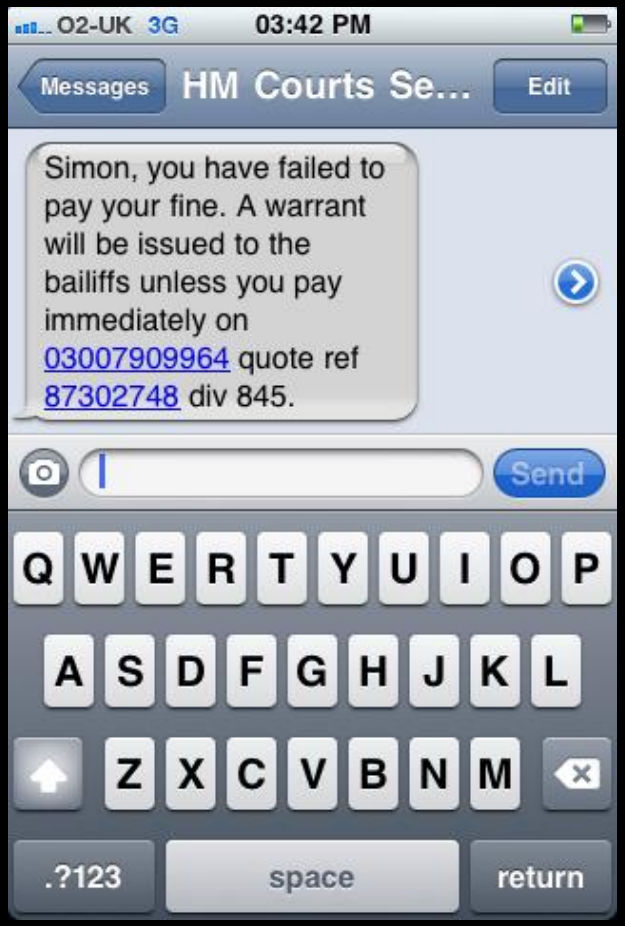
Our best SMS brought in an extra £9 per message sent.



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Average amount repaid per text message sent (message sent 5 days before bailiff)

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All treatment arms were statistically significant

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Ideas generation

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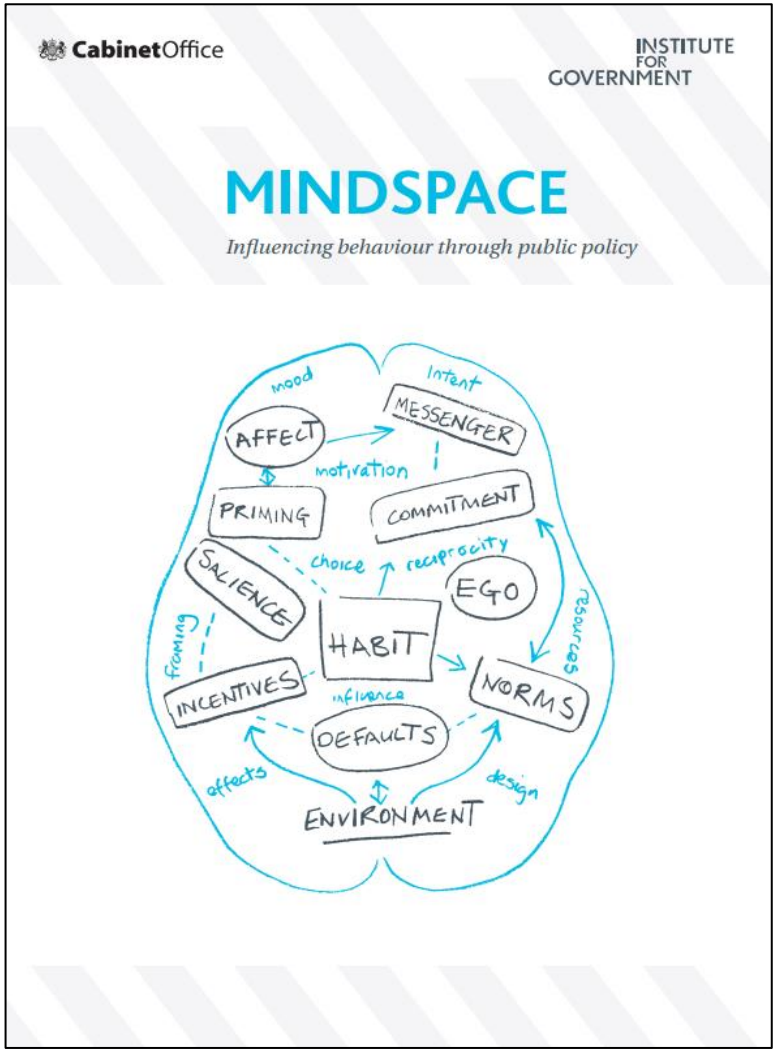

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Test, Learn, Adapt

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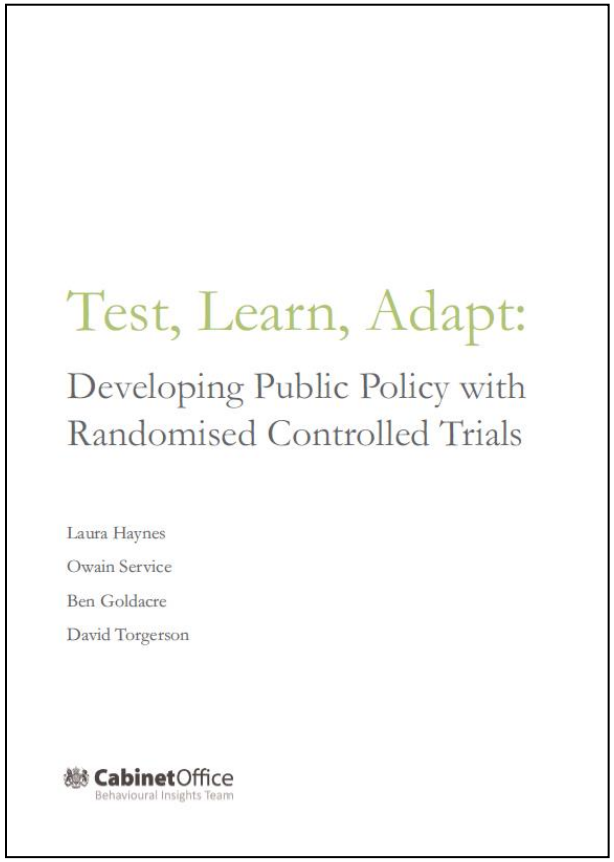

Test, Learn, Adapt:

Developing Public Policy with Randomised Controlled Trials

Laura Haynes
Owain Service
Ben Goldacre
David Torgerson

CabinetOffice
Behavioural Insights Team

Develop an experiment – ideally a Randomised Controlled Trial – that will show whether or not the intervention is working

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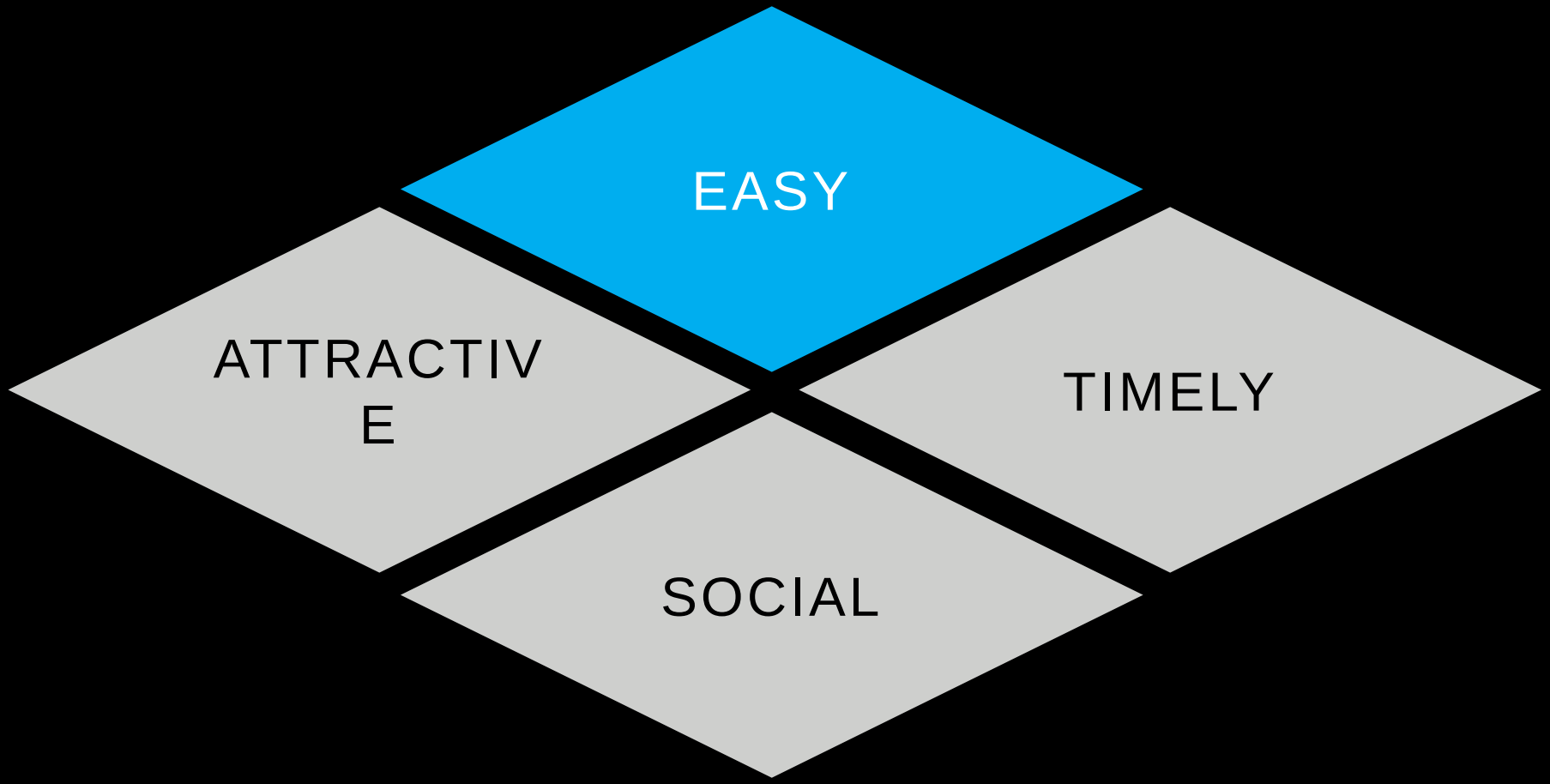

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EASY

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-Use defaults
-Simplify messages
-Reduce friction costs

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We ran a trial on the ‘Tax Return Initiative’ with HM Revenue & Customs

THE BEHAVIOURAL INSIGHTS TEAM

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

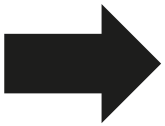
M Wilson

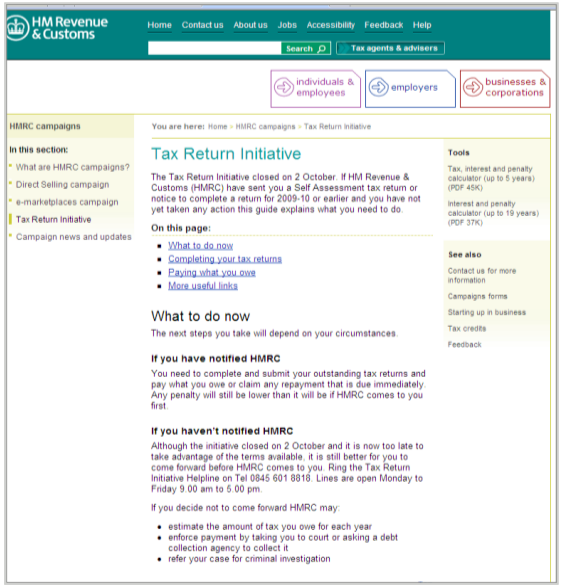
Dr Marian Wilson
Campaign Deputy Director

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

RISCAM TRI REM1a HMRC08/12

Webpage





HM Revenue & Customs

Home Contact us About us Jobs Accessibility Feedback Help

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

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»

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Yours sincerely

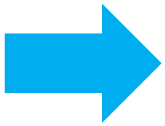
M Wilson

Dr Marian Wilson
Campaign Deputy Director

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

RISCAM TRI REM1a HMRC08/12

Direct to form



HM Revenue & Customs

Tax Return Initiative 2009–10 and earlier

How to fill in this form | Non-mouse users | Colours | Zoom

Contents
- About this form
- Commitment statement
- Contact details
- Tax returns to complete
- Tell HMRC
- What to do now

Commitment statement

I want to register with the Tax Return Initiative and make my commitment to catch up and file my outstanding tax returns.

Please note: Agents can complete the commitment and register on behalf of their clients.

* indicates required information

* ☑ I want to register with the Tax Return Initiative

Previous Next

HMRC Terms and Conditions | Information we hold about you | © Crown Copyright

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Removing small frictions seems to make a disproportionate difference

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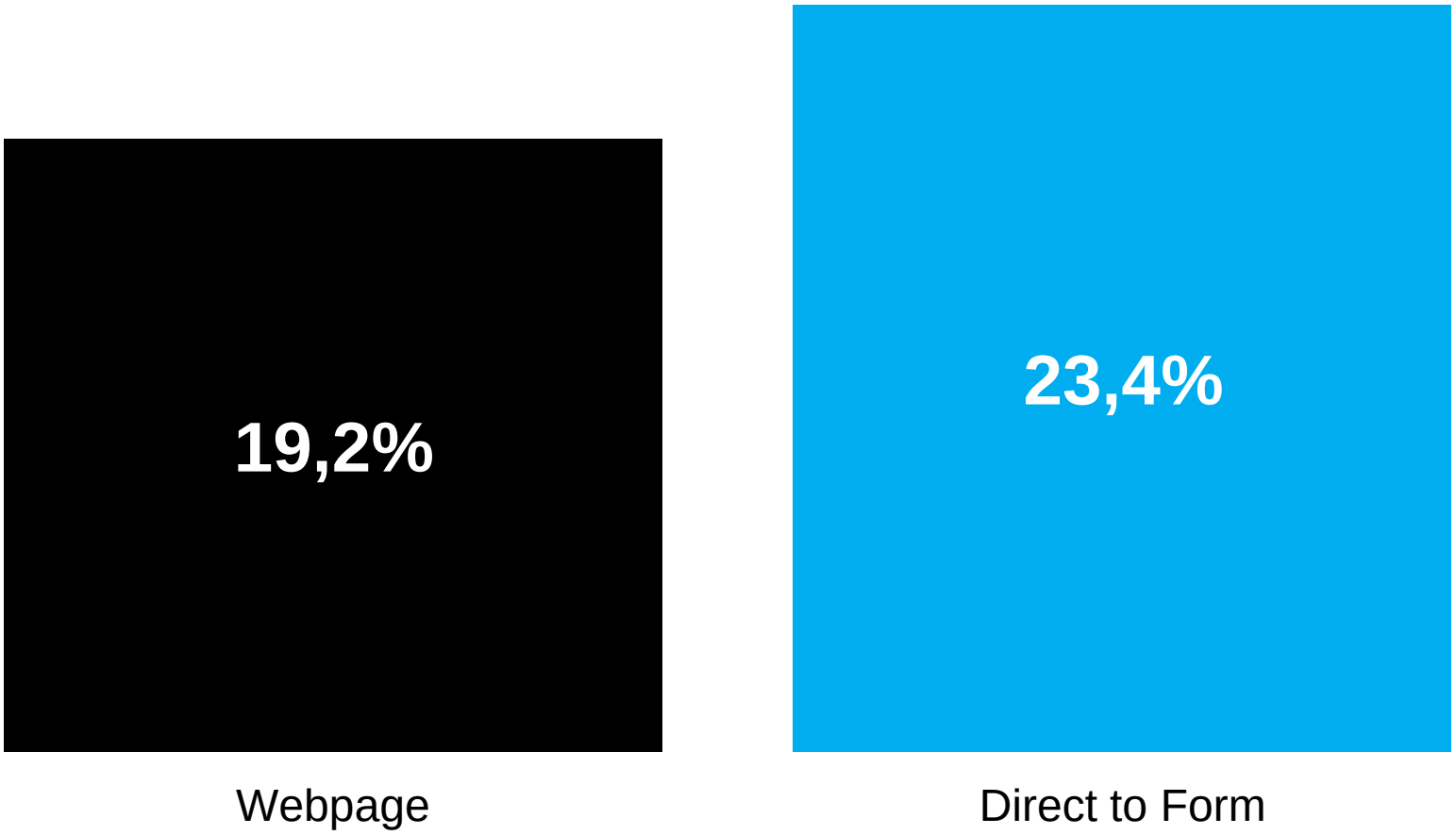
% Response rate to letters directing people to webpage vs form



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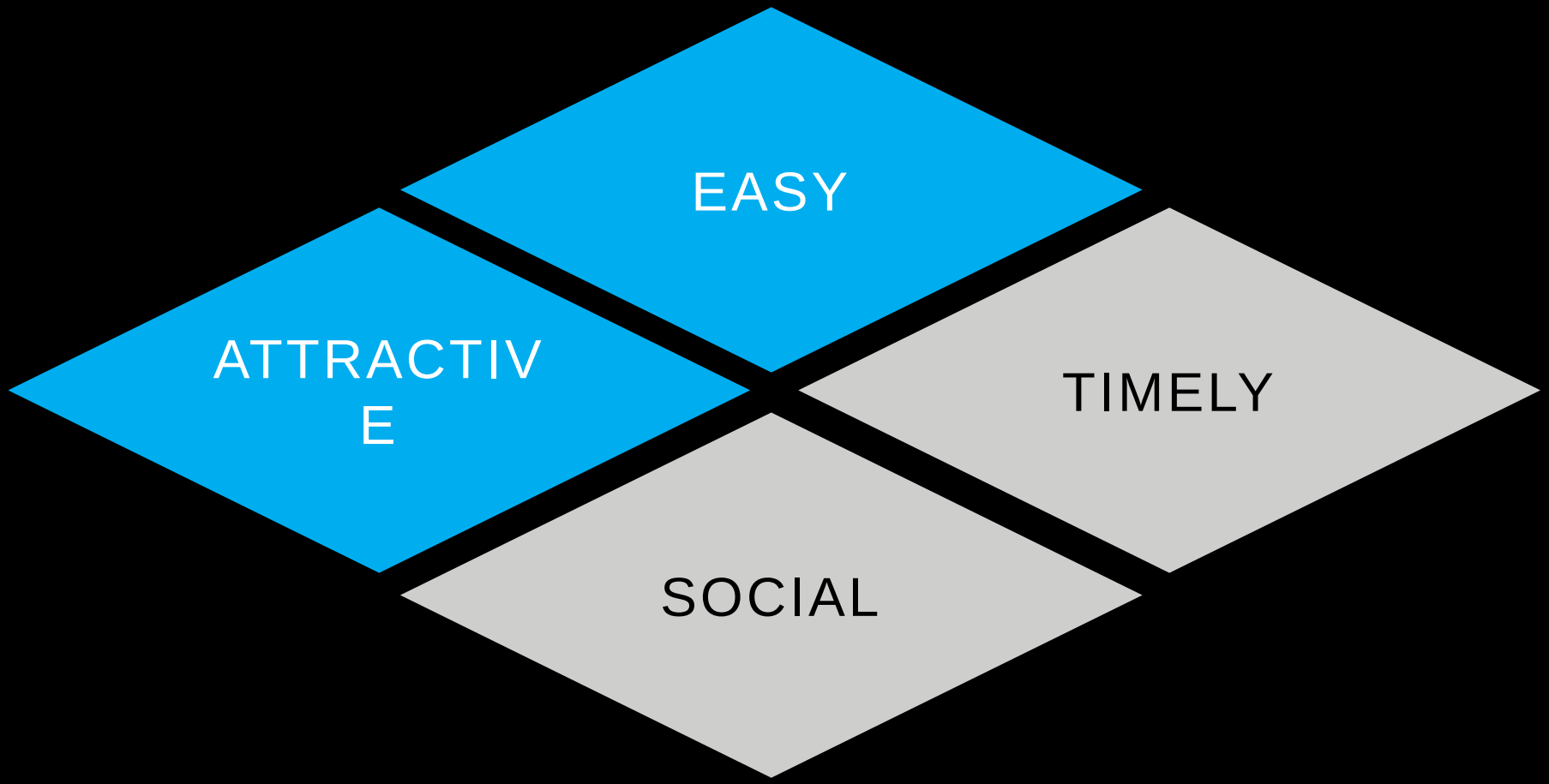

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ATTRACTIVE

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-Attract attention
-Personalise
-Rewards and incentives
-Appeal to ego

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How do you encourage bankers to donate to charity?

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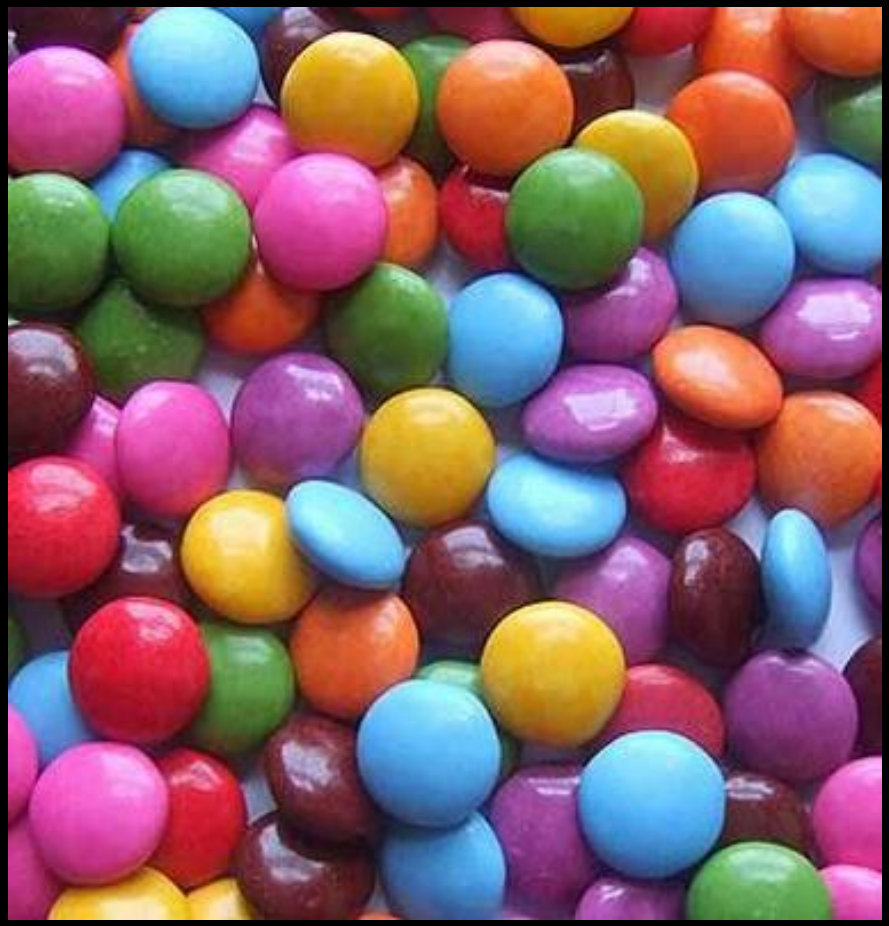
Our trial raised £500,000 in one day.



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Proportion giving away a day's salary to charity

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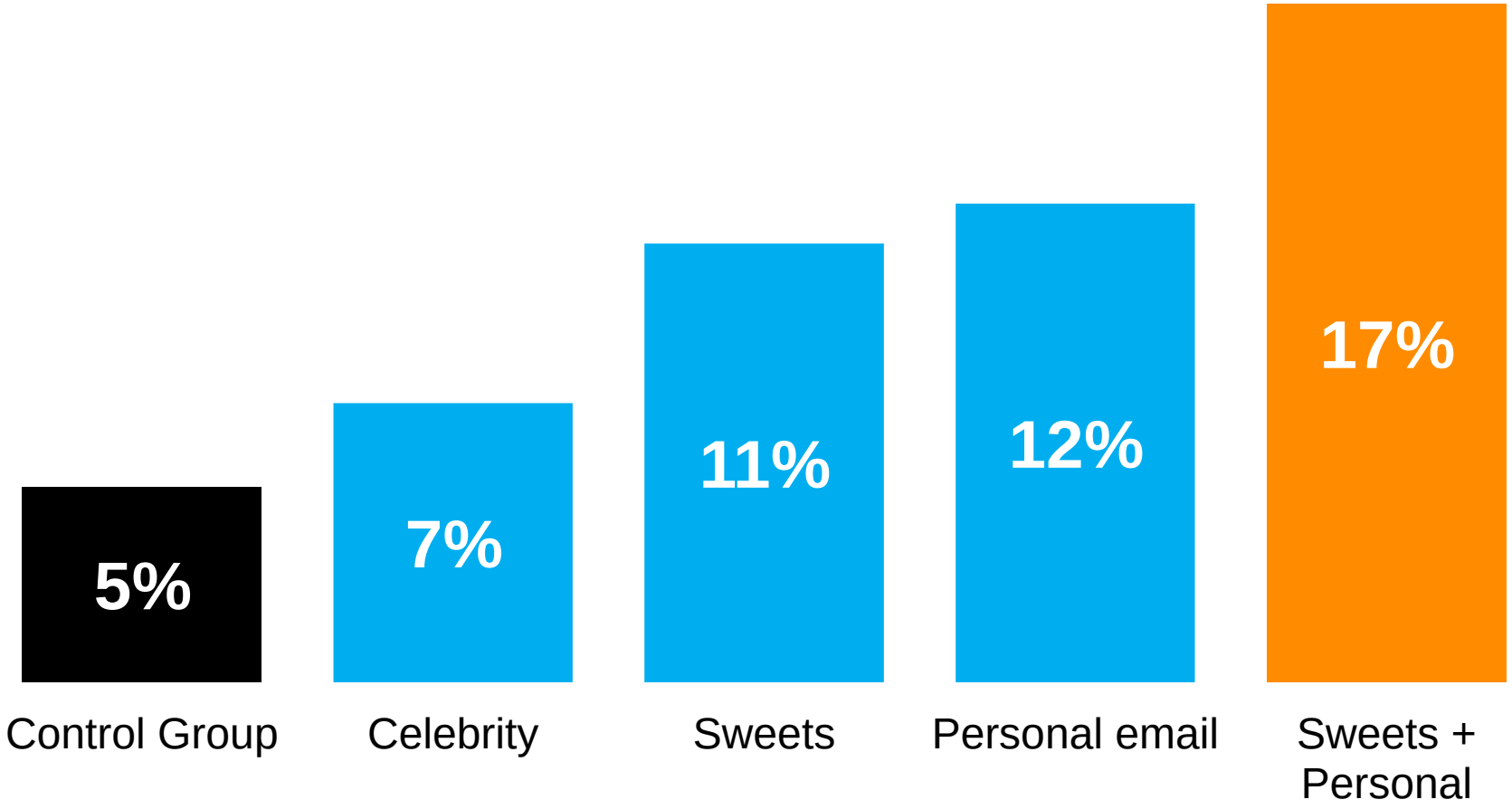

All treatment arms were statistically significant

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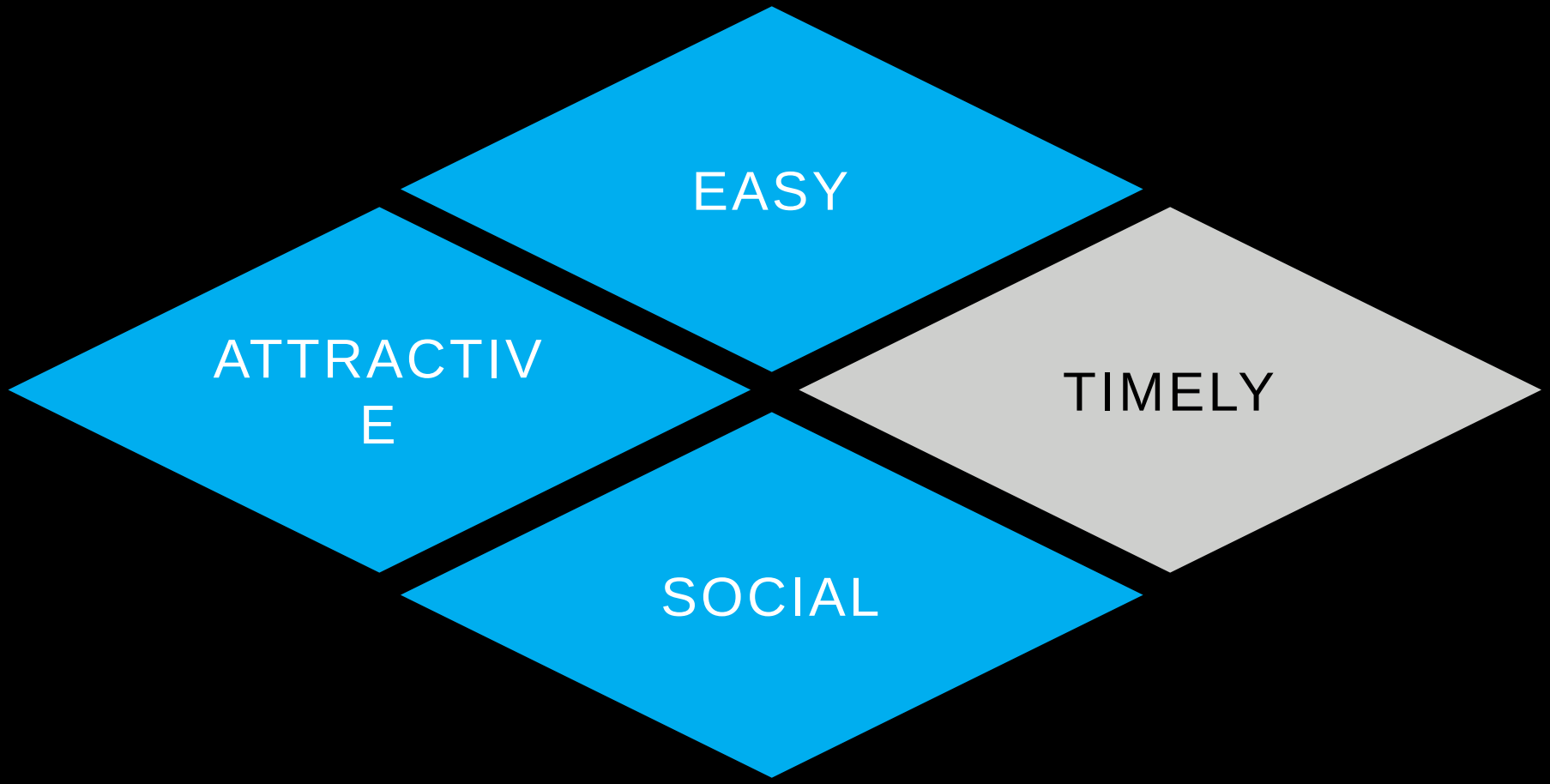

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SOCIAL

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-Social norms
-Network nudges
-Messenger effects
-Social commitments
-Reciprocity

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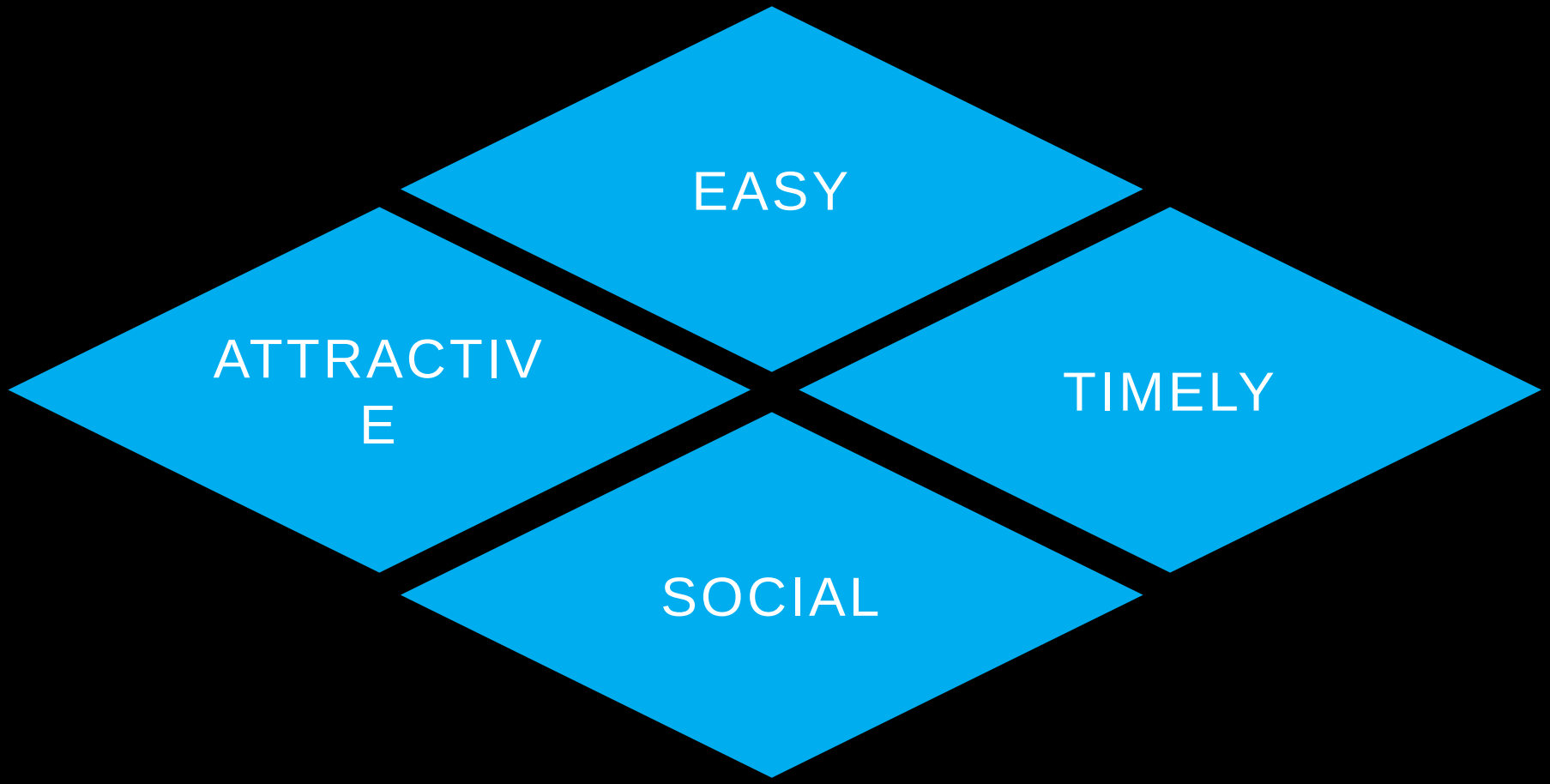

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TIMELY

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-Prompt at decision point
-Benefits now & costs later
-Assist planning

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How do you improve the diversity of the police?

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Our email closed the performance gap between BME and non-BME police recruits.

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Test score – BMEs and non-BMEs

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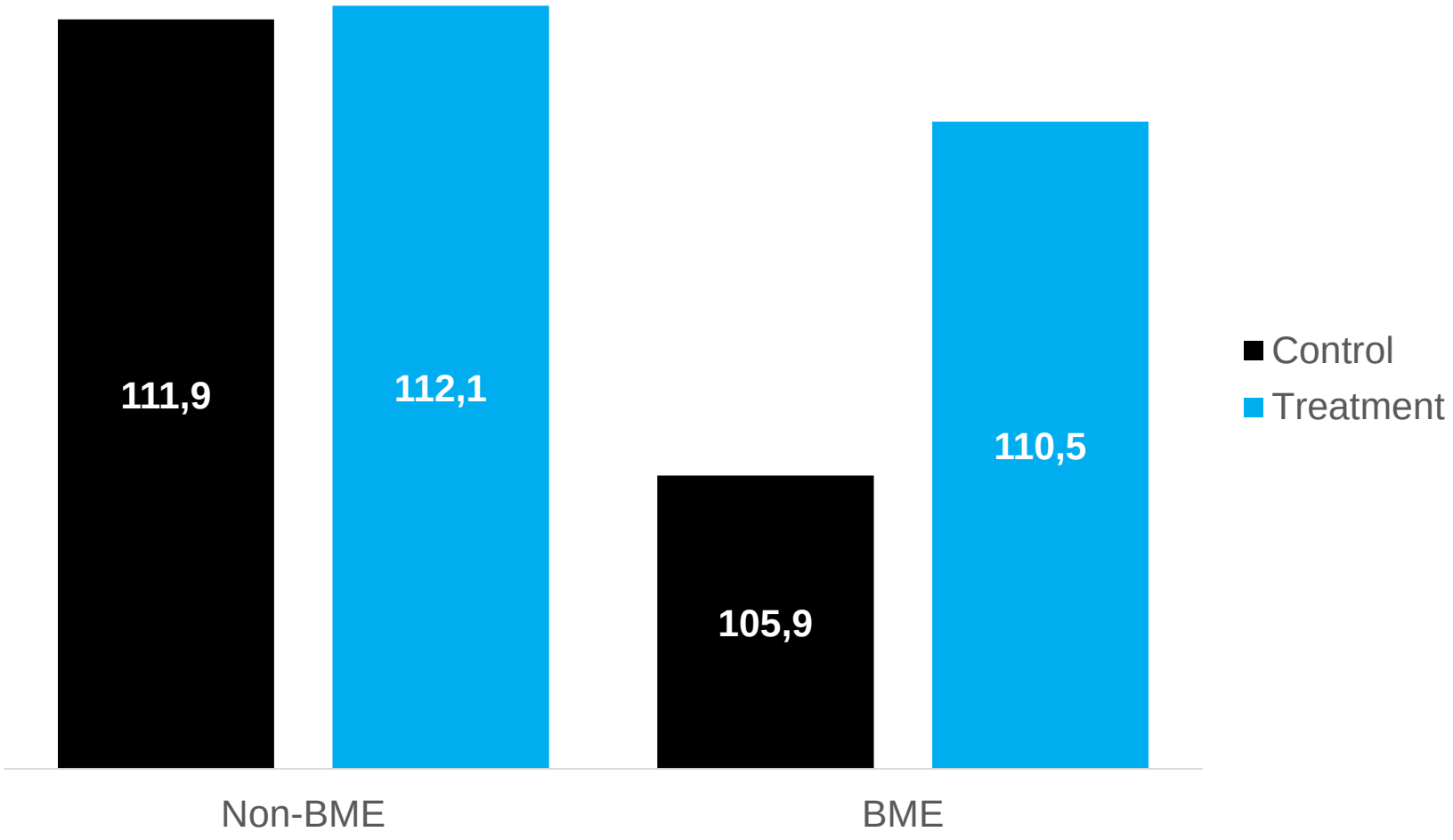

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The future

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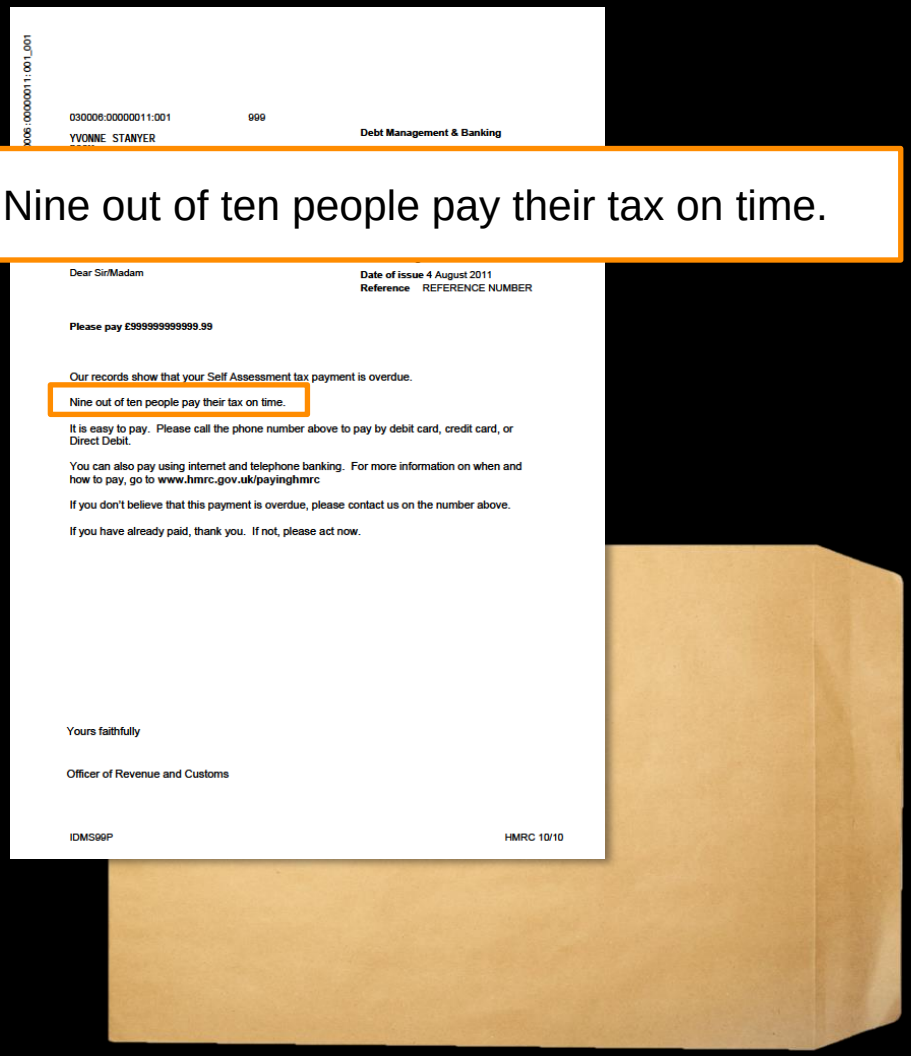
With HMRC, our tax trials brought forward £210million in 12 months.



Nine out of ten people pay their tax on time.

030006:00000011:001 999

YVONNE STANYER

Debt Management & Banking

Dear Sir/Madam

Date of issue 4 August 2011
Reference REFERENCE NUMBER

Please pay £999999999999.99

Our records show that your Self Assessment tax payment is overdue.

Nine out of ten people pay their tax on time.

It is easy to pay. Please call the phone number above to pay by debit card, credit card, or Direct Debit.

You can also pay using internet and telephone banking. For more information on when and how to pay, go to **www.hmrc.gov.uk/payinghmrc**

If you don't believe that this payment is overdue, please contact us on the number above.

If you have already paid, thank you. If not, please act now.

Yours faithfully

Officer of Revenue and Customs

IDMS99P HMRC 10/10

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Replication and expansion

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Does our approach work in other cultures?

Country	Tax revenue % of GDP (Estimate 2014)
Guatemala	12%
Costa Rica	14%
Poland	17%
World Average	28%

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Guatemala: 2013 tax year (n=43,387)

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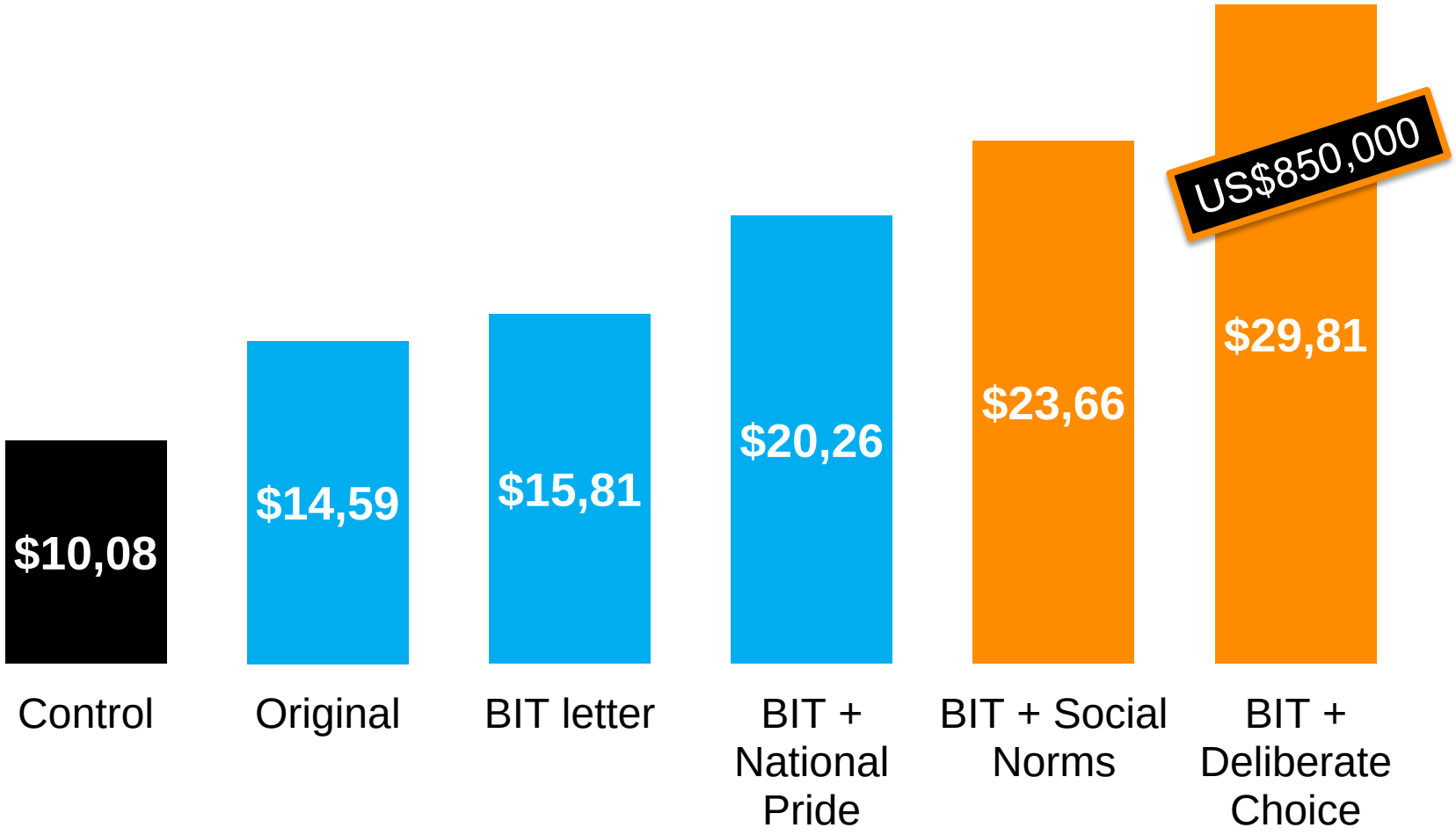
Amount of tax received by letter sent (after 12 months)



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Guatemala: 2014 changed habits

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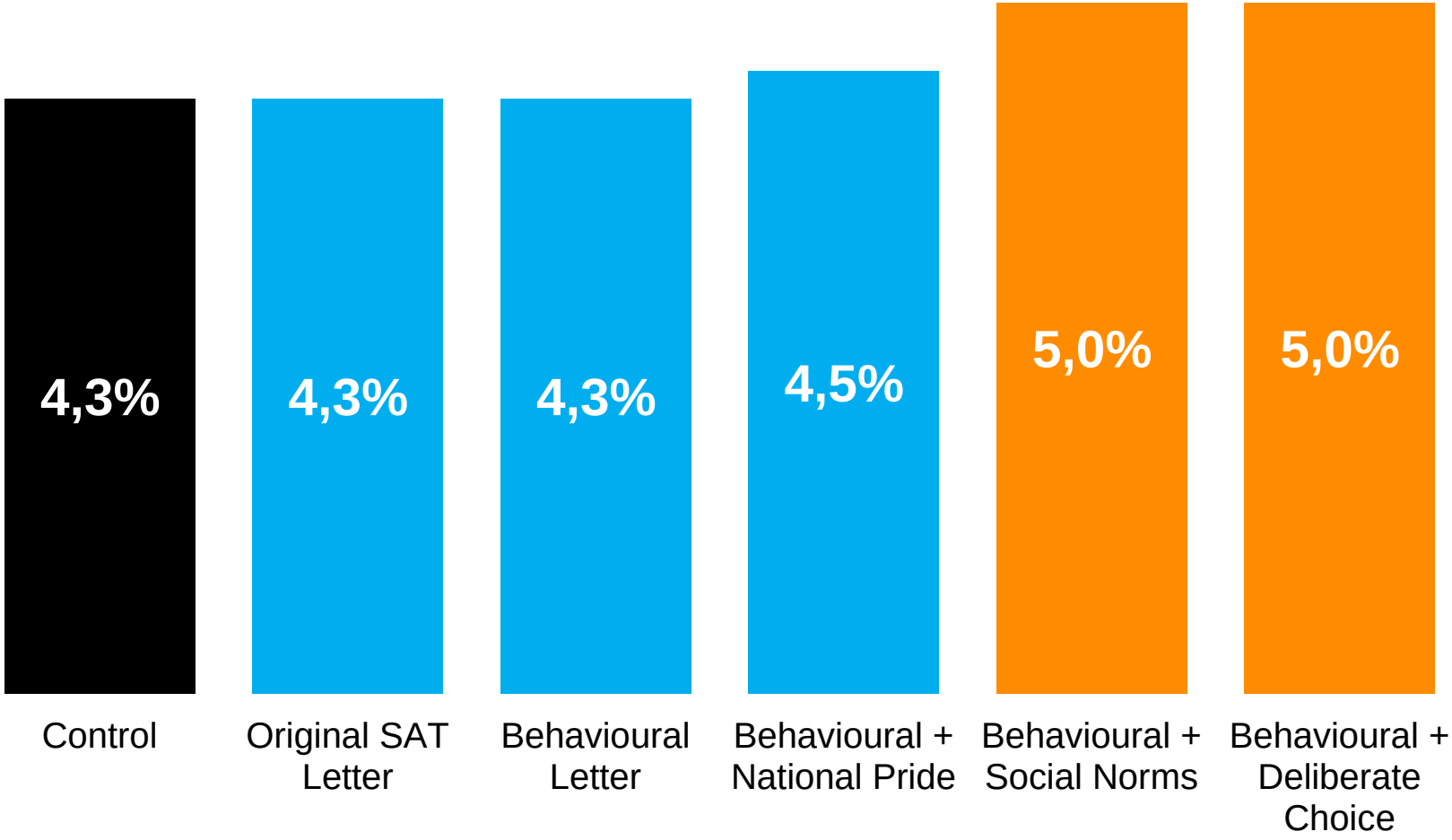
Percentage of taxpayers that paid their tax in 2014 by letter received the year before (with no further reminder)



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Coming results

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Costa Rica – emails to firms that had not filed their 2014 tax on time highlighting third party information on sales, contracts or revenues that the firm had made.

Poland – ‘dunning’ letter to individuals from tax authority versus behavioural letter with softer tone and social norms message

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Poland letter

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ORIGINAL LETTER

HEAD OF TAX OFFICE IN ŻARY
ŻARY, OSADNIKÓW WOJSKOWYCH 3
Tel. 6844560500

.....
(name and address of creditor)

NIP:.....

Receipt confirmation

DUNNING LETTER
NO. 466/15
OF 25.03.2015.

Pursuant to art. 15 § 1 of the Act of June 17, 1966 on execution proceedings in administration (J. L. of 2014, item 1619 – uniform wording) this is to call for payment of, as follows:

No.	Liability	Term	Amount of liability	*Interest as on the date of issue hereof in PLN	Total
1.	PIT (ZOB-D)	1/2014	30.00	3.00	33.00
2.	PIT (ZOB-D)	2/2014	123.00	11.00	134.00
3.	Dunning letter costs	X	X	X	11.60
4.	Total	X	X	X	178.60

Type of interest – tax interest
Rate applicable to further interest accrual – 8%

This is to call for performance of duty referred to herein within 7 days from delivery of this dunning letter. The amount due with interest accrued until the day of payment and costs of dunning letter should be paid to the cash desk, through the postal service of Poczta Polska or to the bank account NBP/O/OKR in Zielona Góra no. 12101017040055262223000000.

Failure to perform the said duty by indicated deadline shall result in referral of the case to execution proceedings thereby generating costs of execution proceedings to be covered first.

*Interest has been accrued as on the date hereof. When making payment please add interest accrued against the amount due from the day immediately following the date hereof until the payment date.

When making the payment in full amount of liability together with interest and dunning letter costs, round up the amount to full zloty. Interest shall not be collected if the amount of interest, as on the payment date, is lower or equal to 8.70 PLN.

(signature and personal stamp bearing name, surname and official position)

Tax
Administration

Republic
of Poland

[FROM: TAX OFFICER DETAILS]

[TO: TAXPAYER DETAILS]

June 1, 2015

Please pay your income tax by June 10, 2015

Dear [Sir/Madam],

According to our records, [8] out of 10 residents in [REGION] have already paid their income tax for 2014. You are one of the few residents that has not.

You are required to pay [TOTAL TAX LIABILITY]. If you pay now you will avoid paying more interest later, as specified in the table included at the back of this letter.

You can pay your tax now by making a transfer to the account No. [ACCOUNT NUMBER], or by visiting your postal service, bank, or tax office.

If you do not pay your taxes, you could be subject to prosecution. We will be checking to see how you respond to this letter.

If you are not able to pay in full at this time or have any questions, please call us at [PHONE NUMBER].

Thank you in advance for fulfilling your civic duty.

Sincerely,

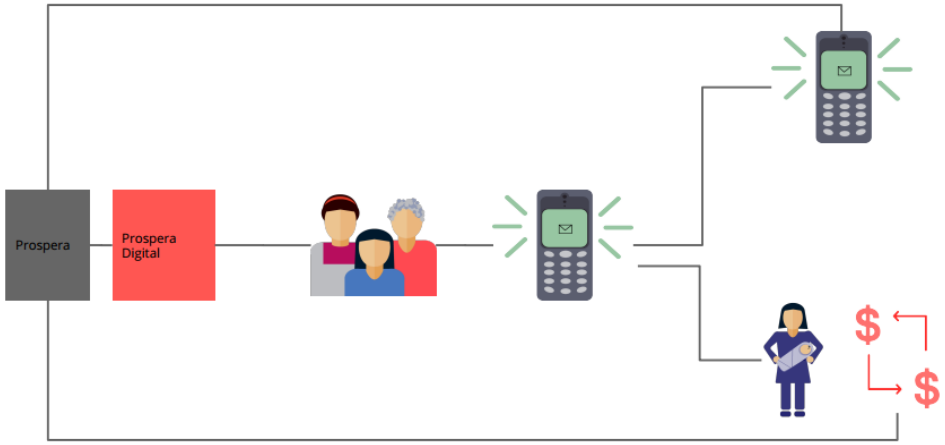
(Signature and personal stamp of Head of Tax Office)

Mexico: *Prospera* conditional cash transfer program

THE BEHAVIOURAL INSIGHTS TEAM

Does additional information via text message improve health outcomes?

- Health visits
- Uptake of nutritional supplements
- Planning for emergencies and birth
- Health of mother and baby



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THE BEHAVIOURAL INSIGHTS TEAM.

Kizzy Gandy

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