

# A practical guide to setting up a behavioural insights trial in local government

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Tim Pearce



In partnership with



Cabinet Office

12 March 2019

**Let's try to activate  
your System 1 and  
System 2  
processing**





GREEN



**BLACK**



PINK



ORANGE



**BLUE**



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**BROWN**





GREY



**YELLOW**

# System 1 versus System 2 processing

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Blue

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Brown

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Pink

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Red

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Orange

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Purple

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Yellow

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Green

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Orange

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Yellow

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Pink

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Brown

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Blue

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Green

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Purple

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Red

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# Outline: BIT's TEST framework

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1. **T**arget
  - defining and measuring the challenge
2. **E**xplore
  - understanding system and existing research
3. **S**olution
  - EAST framework
4. **T**rial
  - understanding how to test solutions



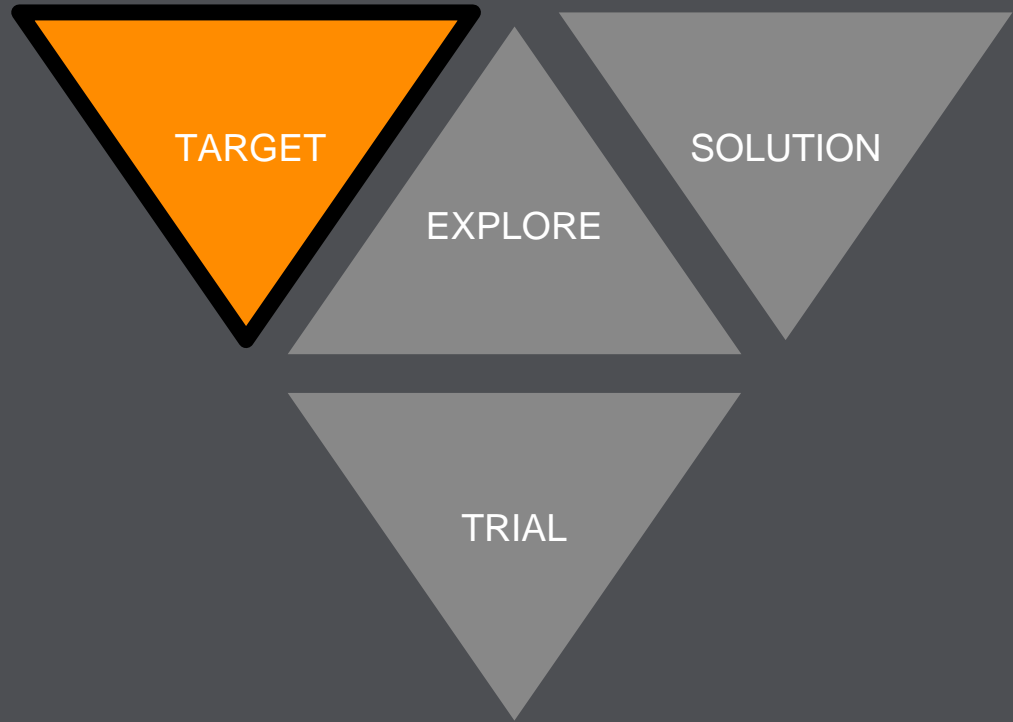
# The policy challenge - FEEEE2

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- Improving the life chances for children is a priority for Essex County Council (ECC). Promising evidence that high quality child care can improve outcomes for children from low SES families.
- **'Free Early Education Entitlement for Two-Year-Olds'** (FEEEE2) entitles parents in receipt of a qualifying benefit to receive up to 15 hours of free childcare per week.
- In July 2017 data indicated that in Essex **~85%** of eligible parents **applied** for FEEEE2 and **~74%** **took up a place** with a childcare provider. ECC asked BIT to help increase this.



# 1. Target



# Target

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1. Narrow the focus to a specific behaviour or set of behaviours that you want to encourage or discourage

# What are the specific behaviours that relate to the larger issue?

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Insufficient tax revenue

*Increase the number of registered taxpayers that declare their income by the due date*

Antibiotic resistance

*Reduce the number of antibiotics prescribed by GPs*

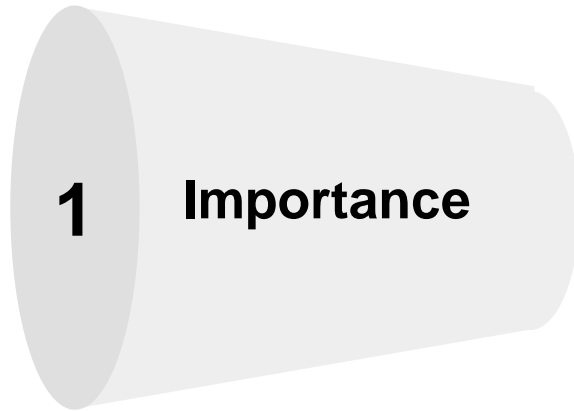
Low-skilled workforce

*Increase the number of students achieving maths and English qualifications*



# Which area should we focus on?

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How many people are affected?

Does it the outcome matter for wellbeing?



Do we control the system?

Can we measure the outcome?

# Target

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1. Narrow the focus to a specific behaviour or set of behaviours that you want to encourage or discourage
2. Create a 'SMART objective' to address the behavioural problem



## We need to have clear objectives

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It's not clear what improvement might mean in this context. Are there specific metrics we're aiming for?

Growth of what? Better to link to a specific process/data point

The objective is to: **improve the growth of small businesses**

Is this all small businesses across the whole of the UK?

Value in starting smaller and proving the concept in a particular area/cohort before rolling out across the country



# Building a problem statement: SMART

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- S**pecific - target a specific behaviour you are trying to change
- M**easurable - identify a quantifiable outcome measure
- A**ssignable - specify who or what will change
- R**ealistic - state what results can be achieved given available resources
- T**ime-related - specify when the results will be achieved

*Remember, we are changing behaviour - not attitudes, not opinions, not beliefs*



# The best way is to set out what your target is in a problem statement

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**Specific, Measurable and Realistic.** Start with a quantifiable, even if this is modified over time. Start thinking about how big an effect we'll need for a project to be worthwhile.

**Assignable.** BIT projects will usually start on a small scale, then scale up when we are confident that something is working.

The objective: 20,000 SMEs to complete an application for Growth Vouchers in England before 31<sup>st</sup> March 2015, and for at least 30% of them to spend their voucher

**Time-related.** We should try to be as clear as possible what the timeframes might be. Ideally, the timeframes will be linked to existing processes.



# Essex: Objectives

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## 1. Target outcome measures:

There are many factors that influence take up of FEEE2 e.g. the number available places. In discussion with ECC, and following our explore work, we therefore agreed the following target outcome measures:

- **Primary:** Achieve a statistically significant increase in the proportion of eligible parents **applying** for FEEE2, compared to a control group, between January and July 2018.
- **Secondary:** Achieve a statistically significant increase in the proportion of eligible parents **taking up** FEEE2 (measured by the close proxy of released payments to the nursery) compared to a control group, between January and July 2018.



## 2. Explore





# Goals of the Explore phase

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1. Understand the system in which existing interventions are delivered
2. Understand the perspectives of the end-users
3. Understand the existing policy research



# Methods used in the Explore phase

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- L** Listen – e.g., interviews
- E** Experience – e.g., fieldwork



# Explore: Findings about the system for FEEE2

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- **All parents knew about FEEE2.** Most found out via the ECC letter.
- **Lack of information in the letter:** Not enough detail about the application process or the information required to fill out the application form (e.g. national insurance number).
- **Formal look of the letter:** letter looks like a bill
- **A smooth application process:** straightforward if they had the necessary information to hand.
- **Letters are the right way to communicate the offer.** Midwives and health visitors could help to target 'hard to engage' parents. General advertising (such as posters, radio adverts, etc.) could raise awareness of the offer, especially among first-time parents.



# Explore: Findings about the behaviour

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## 1. Motivations

- **Benefits for children:**
  - Social benefits of playing and getting to know other children.
  - Children had become more sociable and confident as a result of attending childcare.
- **Benefits for parents:**
  - More time to themselves

## 2. Concerns

- That two years was too young for their child to attend childcare. There were also reservations about a focus on educational attainment in childcare settings.



# 3. Solution



# Solution

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THE  
BEHAVIOURAL  
INSIGHTS TEAM

**EAST**  
Four simple ways to  
apply behavioural insights

Owain Service, Michael Hallsworth, David Halpern,  
Felicity Algate, Rory Gallagher, Sam Nguyen, Simon Ruda, Michael Sanders  
with Marcos Pelenur, Alex Gyani, Hugo Harper, Joanne Reinhard & Elspeth Kirkman.

IN PARTNERSHIP WITH  Cabinet Office  Nesta

**Easy**

**Attractive**

**Social**

**Timely**

# If you want to encourage a behaviour, make it:

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## Easy

- Change defaults
- Remove friction costs
- Simplify communication

## Attractive

- Salience (novelty, relevance)
- Personalisation
- Incentives

## Social

- Social norms
- 'Network nudges'
- Public commitments
- Reciprocity

## Timely

- Planning
- Future discounting
- Key moments



# Essex: Our intervention



Essex County Council

<<Title>> <<Forename\_1>> <<Surname>>  
<<Address\_Line\_1>>  
<<Address\_Line\_2>>  
<<Address\_Line\_3>>  
<<Postcode>>

Our Ref: <<Letter Reference>>  
Date: DD/MM/YYYY  
Telephone: 0800 055 6874

Dear <<Forename\_1>>,

**Claim your free childcare today... it only takes 10 minutes!**

Did you know that you are eligible for 15 hours of free childcare for your 2 year old? Other families have to pay for childcare but you get it for free!<sup>1</sup> You can use this offer at nurseries, preschools, playgroups or childminders.

Thousands of parents across Essex already use childcare for their 2 year olds. Not only does it give you time back to yourself, your child can also play, learn and have fun with other children. To make the most of this offer, register today - it only takes 10 minutes!

#### What to do next:

- Get your national insurance number.
  - Go to <http://bit.ly/FEEE2> and follow the steps.
- or
- If you don't have internet access or just want to talk this through with someone, you can call our free helpline on 0800 055 6874. You could also visit your family hub or childcare provider, or speak with your health visitor, social worker or specialist teacher.

Yours sincerely,

Joanna Eastoe  
Service Development Officer  
Early Years and Childcare

<sup>1</sup> Eligibility is subject to meeting the relevant criteria at the time of application. Other parents pay approximately £65 per week for 15 hours of childcare (moneyadviceservice.org). This offer is only redeemable for childcare services.

Dear <<Forename\_1>>,

**Claim your free childcare today... it only takes 10 minutes!**

Did you know that you are eligible for 15 hours of free childcare for your 2 year old? Other families have to pay for childcare but you get it for free!<sup>1</sup> You can use this offer at nurseries, preschools, playgroups or childminders.

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Yours sincerely,

Joanna Eastoe  
Service Development Officer  
Early Years and Childcare

Clear call to action

Exclusivity of offer

Clear call to action

Exclusivity of offer

Social norms

Benefits for parents and children

Benefits for parents and children

Highlighting the immediate next step

Highlighting the immediate next step



# 4. Trial: Test, Learn, Adapt





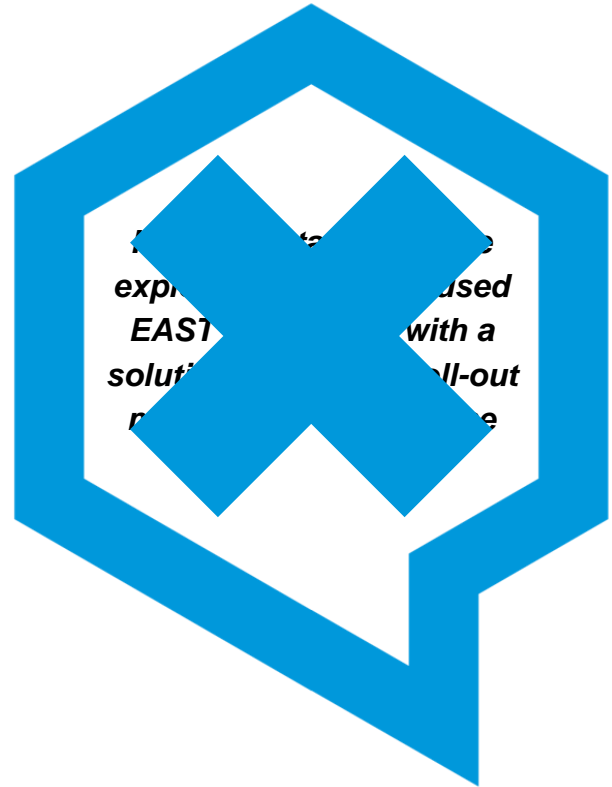


# Why Trial?



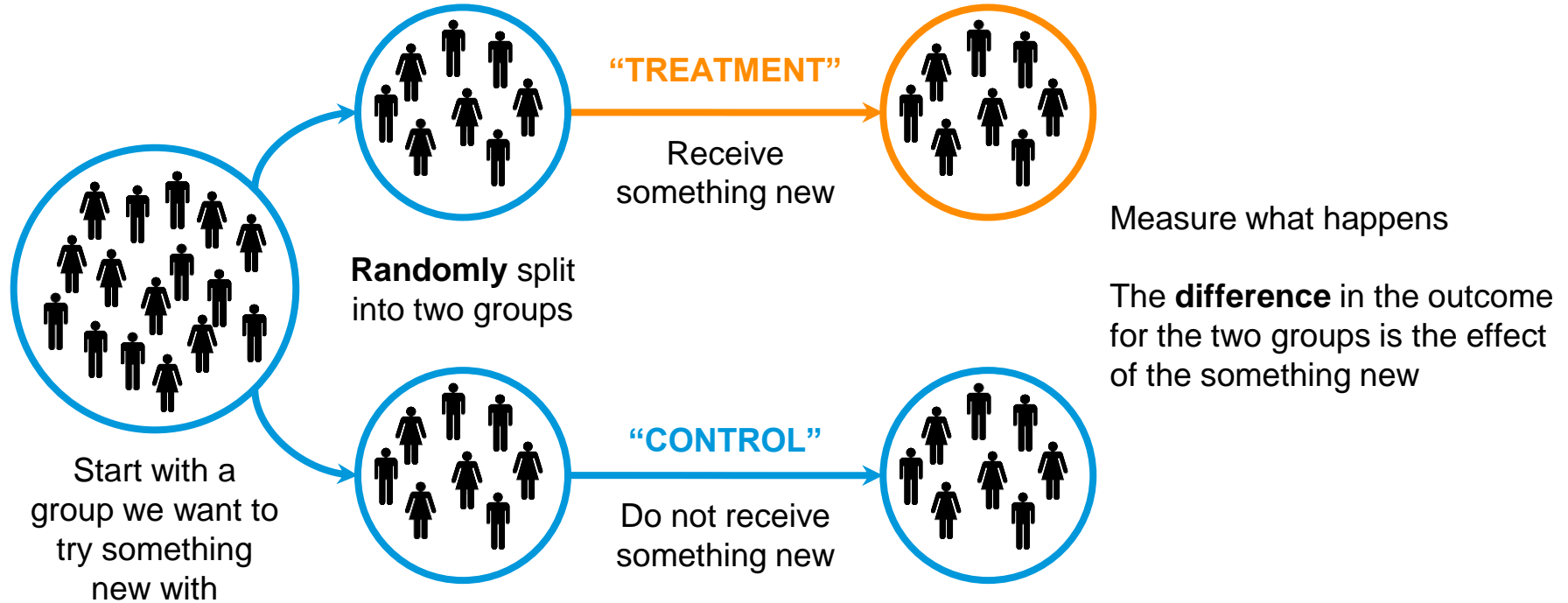
Even if you use all resources available and come up with a great idea **there is nothing to guarantee that it will work in practice**

Even if your idea works there may be alternatives that could work better



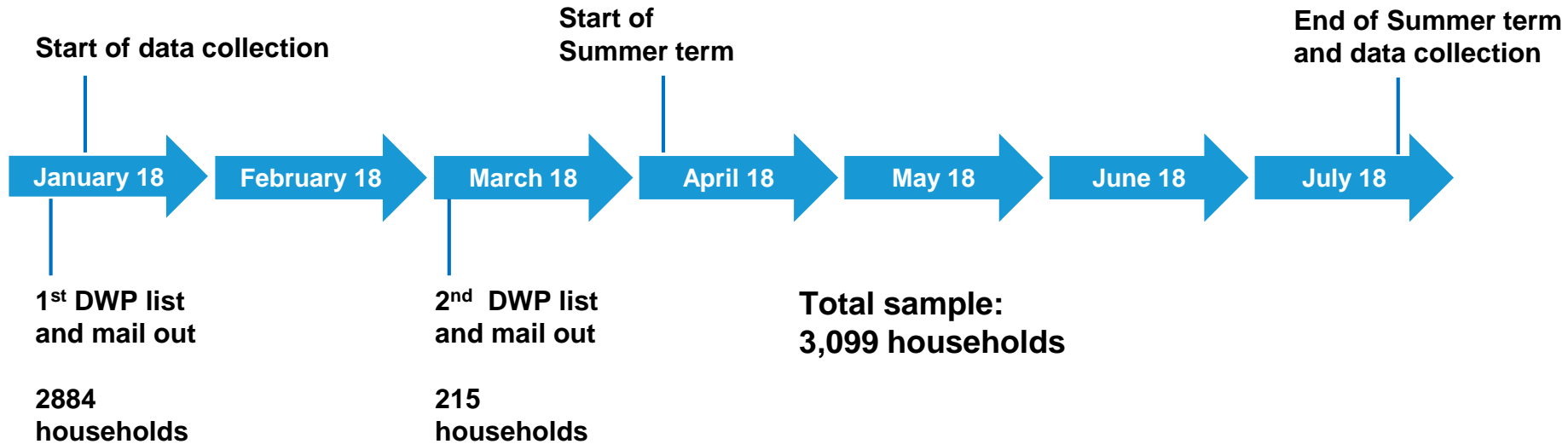


# What is a Trial?





# Trial: Experimental timelines and design





# Trial: Inevitable data challenges

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**Lost ~40% of our sample** due to challenges in matching data from the DWP lists to the outcome data. E.g.:

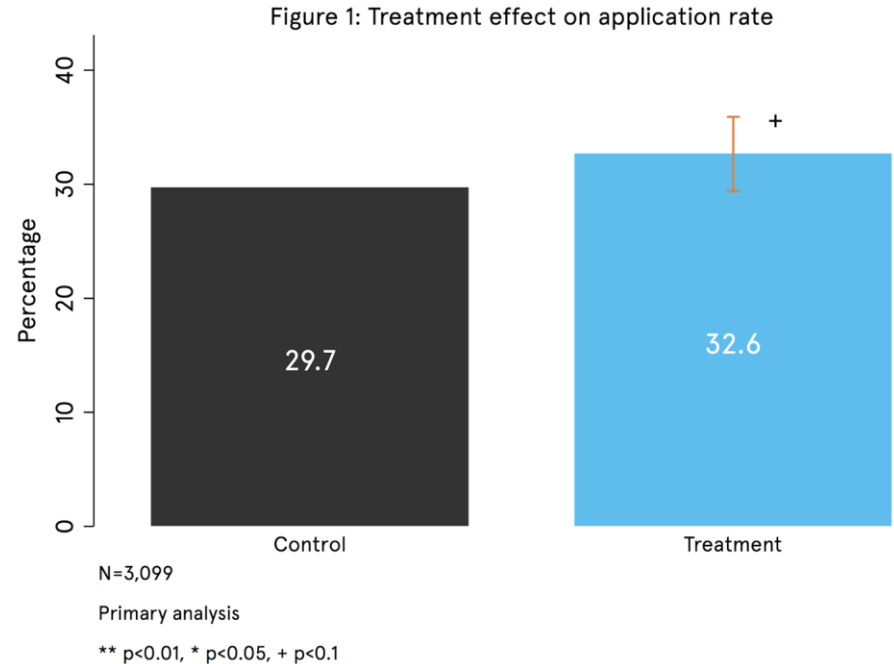
1. The parent who submitted the application was not the same the letter was addressed to.
2. The child did not have the same surname as the parent the letter was sent to.
3. Spelling discrepancies and types in the application form.
4. The address recorded by DWP did not match the parent's current address.
5. The parents (families) who applied were not on the original DWP list (e.g. children with SEN).

Losing such a large proportion of the sample greatly **reduced our statistical power**, i.e. our ability to conclude with confidence that any observed results were due to our intervention rather than chance.



# Trial: Results - Applications

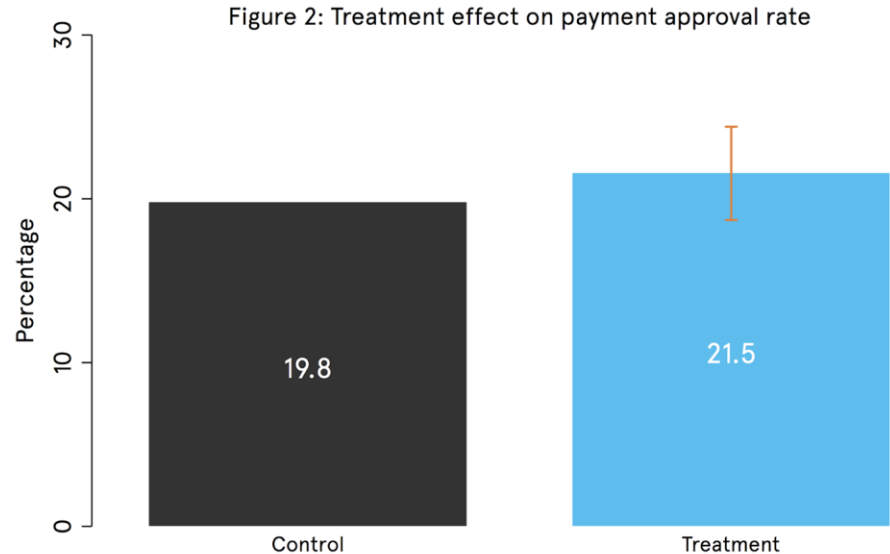
- **32.6%** of families in the **treatment** group (i.e. those receiving the new letter) made an application compared to **29.7%** in the **control** group (those receiving the existing letter).
- This constitutes a **9.9% increase** when comparing the treatment to the control group (or a 2.9 percentage point increase).





# Trial: Results – Take-up

- We observe a similar pattern for the effect on payment approval rates, which we assume to be a proxy for the actual take-up of places.
- In the **treatment** group (i.e. those receiving the new letter), **21.5%** of families take up a place compared to **19.8%** in the **control group** (i.e. those receiving the existing letter). This constitutes a **9.1% increase** in the group who received the modified letter (or 1.7 percentage points).



N=3,099

Secondary analysis

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



# Recommendations

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- Although not statistically significant at conventional levels, results are promising. In this trial **92 more households applied for FEEE2** by the end of July 2018 and **56 more took up a FEEE2 place**.
- Likely that the new letter improves uptake and does not have backfire effects. As such **it could implemented as it stands**.
- However, if **the data matching issue** could be solved the trial could be re-run. Data matching could potentially be improved by requiring parents to submit information about their partner as well.
- An approach of continuous testing could be adopted. Future iterations could include a testimonial from a family whose child benefitted from FEEE2, or could look to remove friction costs by pre-filling the application form with existing information the council holds on families.



# Thank you

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