

Feature  
**Design and GOV.UK**

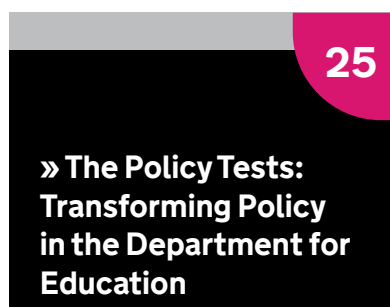
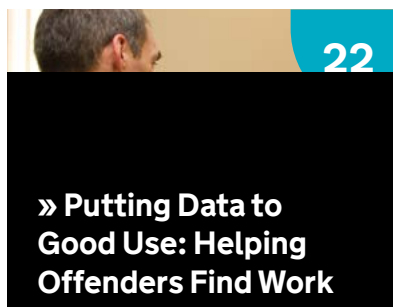
The UK's role in the  
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Behavioural insights  
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Chief Economic Adviser  
to HM Treasury



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Civil Service Quarterly opens up the Civil Service to greater collaboration and challenge, showcases excellence, and invites discussion. If the Civil Service is to be truly world-leading it needs to collaborate more, learn from experts outside the Civil Service, listen more to the public and front-line staff and respond to new challenges with innovation and boldness.

Do you have something to write about in Civil Service Quarterly? Send the editorial team an abstract telling us what your article would be about.

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# Editorial

## » Civil Service Quarterly: Opening up the work of the Civil Service



Sir Jeremy Heywood



Rt Hon Francis Maude

The global move toward open and more transparent government has many benefits. It is certainly good for democracy, it enables citizens to understand better how their governments work, and it allows the electorate to hold officials to account in ways that would not have been possible a short time ago.

But the practical benefits that this brings to the public sector are just as fundamental. At its best, the UK Civil Service is world class: intellectually rigorous, creative and fair; and dedicated to serving the public. But if we are to be truly world-leading we need to collaborate more, learn from experts outside the Civil Service, listen more to the public and front-line staff and respond to new challenges with innovation and boldness. Civil Service Quarterly, the publication we are piloting today, is one way of opening up the Civil Service to greater collaboration and challenge.

This pilot edition can only provide a few small snapshots of the work done by Civil Servants, but it gives a sense of the breadth of expertise. You can read about design techniques used in GOV.UK, world-leading diplomacy at the UN, innovation in policy making in the Department for Education and a customer service culture at Her Majesty's Revenue

and Customs, data sharing between the Department for Work and Pensions and the Ministry of Justice to improve offenders' lives, reflections from the Behavioural Insights Team in Cabinet Office on how "nudges" can be used to promote charitable giving, work on reducing the risks of disasters from the Government Office for Science, and economic insight from the Treasury.

Sir Jeremy Heywood  
Cabinet Secretary

Rt Hon Francis Maude  
Minister for the Cabinet Office

There is much more to say, but let us know what you think by email ([csq@cabinet-office.gsi.gov.uk](mailto:csq@cabinet-office.gsi.gov.uk)) or on twitter [#CSQuarterly](https://twitter.com/CSQuarterly).

# Iconic Design, GOV.UK and Agile Software Development

» In April the Government Digital Service's flagship project, GOV.UK, collected the Design Museum's Design of the Year Award. Civil Service Quarterly asked Ben Terrett, the Head of Design behind GOV.UK, what the award means, how the UK's design heritage has helped influence the site, and the importance of 'agile working'.

The Government Digital Service (GDS) is one of the newest parts of the Cabinet Office. Its team of designers, developers, policy experts and analysts is busy transforming services across government, working with colleagues at places like the Driving Vehicle Licensing Agency (DVLA) and the Ministry of Justice (MoJ) to make 25 services, including vehicle registration and prison visit bookings, digital by default.

GOV.UK is not a design project, it is a way of delivering better services to the public. But design skills help achieve that aim.

## What makes good design?

Some designs matter. The original Mini, designed by Alec Issigonis, became an international symbol of 1960s Britain, winning the Monte Carlo rally four times in the middle of the decade and making a celebrated appearance in the film *The Italian Job*. Yet style alone does not account for the fact that it was in production for over 40 years.

Designed in the context of the fuel shortages following the Suez crisis in 1956, the Mini was a model of efficiency. It was the first production front-wheel drive car with a watercooled, inline four-cylinder engine mounted transversely. This layout allowed 80 percent of the floor plan to be used for passengers and luggage, saving space



and weight compared with traditional layouts. The Mini's configuration is now used by the majority of cars on public roads.

Most of us now have computers in our pockets, not simply a phone, thanks to the radical design changes unveiled by Apple in its iPhone. The iPhone's influence is due to its popularisation of the touch screen interface and the (now-common) idea that a mobile phone should be able to do much more than simple communication tasks. ▶





Designs like the Mini and the iPhone have had a demonstrable impact on society; they correspond well to what people want and need, and change their expectations of what is possible. The public sector can learn lessons from great design.

### Public sector design

The public sector, too, has produced iconic design, such as Harry Beck's famous London Underground map. Today's tube maps, helping over one billion passengers a year get around London, are direct descendants of the first designs Beck started as a project in his spare time in the early 1930s. Joseph Bazalgette's blueprint for the London sewers is another example. It was designed to improve sanitation and prevent devastating cholera epidemics like those during the 1840s and 1850s. It used a network of underground brick main sewers which were deliberately over-engineered, so that they remained able to cope with huge increases in London's population over the next 100 years.

Central to understanding iconic public sector designs like these is that they were not primarily design projects: they were projects with a design

element, but that element was focused on achieving larger goals. Think again about the Tube map. The design is treated as an aesthetic object (and today is available as a poster, t-shirt, or even fridge magnet). Beck's primary purpose was not to make his map 'look good', and certainly not to open up merchandising options for London Underground. His goal was to help passengers get around London more easily without the visual cues they would have above ground.

It occurred to him that geographical accuracy, and in particular the semi-accurate relative distances between stations that previous maps had featured, was not useful in a map

of the Underground. It hindered rather than helped passengers, many of whom would not be familiar with the geography of London. They simply wanted to know how to get where they were going via the most convenient route. Beck's design prioritised their needs above geographical accuracy.

### Projects with design elements (not 'design projects')

The importance of these projects is that they use design as one tool among many. Form follows function and their lasting appeal as designs is that they work really well. These are instances that show a



## Iconic Design, GOV.UK and Agile Software Development

beauty or elegance in design can come from focusing on user needs, from letting form follow function.

To illustrate this further, think of the design of the road signage system by Margaret Calvert and Jock Kinneir. In the late 1950s, Britain had a localised road signage system where each town could make its own signs. This worked well during the early decades of the 20th century, when road traffic and car speeds were low. But when government decided to build motorways, it became clear that there could be problems, potentially accidents, if someone driving from London to Leeds was presented with different signs as they passed through different areas. An old signage system that had grown up piecemeal was now no longer fit for purpose in the face of a significant change in the type and volume of road traffic.

**“ GOV.UK is a massive project, so this process is broken down into smaller, simpler tasks that can be worked on in short sprints. ”**

In response the Ministry of Transport (the forerunner of today's Department for Transport) commissioned Calvert and Kinneir to create a system of motorway signs. What they produced was consistent across the country, deliberately simple, and rigorously tested. Calvert and Kinneir wanted to ensure the signs would meet the tests of real life; they would drive past prototypes at 60mph in the rain

at night, to see whether they could read the signs in difficult conditions. Their success is demonstrated by the fact they set a standard for how road signs look that is emulated around the world.

Just as a single, simplified road signage system was needed in the late 1950s for the new motorway system, as society becomes more digital so it needs a single, simplified way of interacting online with government services.

Most people come to GOV.UK to do something like renew their driving licence or find foreign travel advice, then get on with their lives. That needs to be made as simple as possible; and in a modern, digitally-focused world, that means working in an agile way.

### Agile design

GDS employs an 'agile' methodology. Agile methodologies started life in software development firms, as a new way of building products that were very responsive to user feedback and behaviour. Agile teams work in short sprints, typically a week long, and see what they can achieve in that time. Then they do the same the next week, and the week after, etc.

Once the team gets to a 'minimum viable product' (a product that has just enough of the necessary features to enable it to work in a basic fashion) – whether it's an app, a digital service, or anything else – it is made available for testing by users and feedback is collected by the product design team. This feedback and analysis of users' behaviour informs the next stages of development across further 'sprints'. The product is refined

by analysis of all this user data and released again, then refined and released again, in an iterative process.

GOV.UK is a massive project, so this process is broken down into smaller, simpler tasks that can be worked on in short sprints. The larger strategic plan is kept under regular review: sometimes the sprints take you nearer your original goals; sometimes they take in a different direction, but for a good reason.

You can learn more about agile methodologies, and where they are applied across government services, on the GDS website.

Designers have not traditionally worked in this way. It has been more common for them to go off with a brief for a couple of months and then come back to a client with well-developed proposals. This traditional approach does not sit well with an agile methodology, where products are developed by working in short sprints. Therefore, the team at GDS set itself some rules for design work within the context of a modern, digital-focused organisation.

Design principles like these can be applied to much of what Government does.

### 1. Start with needs (user needs not Government needs)

The design process should start with identifying and thinking about the needs of real users. The design should be based around those, not necessarily around the way government works at the moment (the two are not always the same).

To do this it is necessary to interrogate data, not just make assumptions. User feedback is important, but what users ask for is not always what they need: not many users would





GOV.UK wins Design Museum's Design of the Year  
Taken by Elisa Figoli

have thought to ask for the original iPhone, for example.

## 2. Design with data

Designers can learn from the real-world behaviour of those already using government services. In the case of digital products, prototyping and testing with real users on the live web can assist the build and development process of digital products.

Looking at the work highlighted in other articles in Civil Service Quarterly, the work of Her Majesty's Revenue and Customs on service redesign is an example of focusing services around user needs. The work of the

Behavioural Insights Team demonstrates a clear focus on designing with real data.

GOV.UK has seen the successful application of the GDS design principles to deliver better services to the

public. These principles can be used more widely; but they – or something like them – already inform best practice across much of government.

**Chris Barrett, Cabinet Office**



# The UK's Role in the UN Arms Trade Treaty

» Diplomatic leadership means building support in difficult circumstances. The UK's role in securing approval for the UN Arms Trade Treaty showed new aspects of diplomacy at work.

United Nations Building, New York  
UN Photo/Andrea Brizzi



**“This is a victory for the world’s people...The Arms Trade Treaty will make it more difficult for deadly weapons to be diverted into the illicit market and it will help to keep warlords, pirates, terrorists, criminals and their like from acquiring deadly arms. It will be a powerful new tool in our efforts to prevent grave human rights abuses or violations of international humanitarian law. And it will provide much-needed momentum for other global disarmament and non-proliferation efforts.”**

UN Secretary-General Ban Ki-moon, New York, 2 April 2013.

The UK played a key role in securing final approval for the UN Arms Trade Treaty signed this June, setting clear and internationally-agreed standards for the global trade in arms. The final vote was accompanied by loud cheering in the UN assembly chamber for what was a historic moment. This was a seven-year process for the UK negotiating team, helping to achieve what many had failed to do in the previous decades.

The Treaty represents the success of a non-traditional diplomacy, unparalleled in recent times, where the careful building of ‘coalitions of interest’ was fundamental, and where social media began to shape the way diplomacy works. This article describes how the UK worked with what Foreign Secretary





William Hague has termed “the networked world” to bring about change.

### No ‘coalition of the powerful’

Attempts to regulate the international arms trade have had a long and difficult history. The earliest efforts to regulate trade in conventional weapons predate World War I. More recently, in 1991 the five permanent members of the UN Security Council (China, Russia, France, the UK and USA) agreed the “Guidelines for Conventional Arms Transfers”.

Within two years cooperation had foundered. However, progress was achieved at regional level. By 1995 the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies had been established. Comprising 41 countries, including the major European and American suppliers and Russia (but not China) it would promote “transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies”. Then in 2008 the EU Code of Conduct on Arms Exports (which had been established in 1998) became legally binding.

This patchwork of regional agreements was ill-suited to regulating a highly mobile manufacturing industry that often involved extensive global supply chains. The unscrupulous were able to circumvent controls by moving to countries where regulation was less onerous (or nonexistent) – echoing the challenge facing efforts

to combat money laundering – and companies engaged in legitimate trade faced evermore complex regulatory hurdles, leading to increased costs.

Traditionally the UK, as an economically and militarily powerful nation, has aligned itself with other powerful nations in order to achieve its diplomatic goals. However the experience of the failed 1991 “Guidelines for Conventional Arms Transfers” indicated a new approach was required.

### Building a coalition of interest

In 2003 the community of Non-Governmental Organisations (NGOs) began advocating for a new Arms Trade Treaty. They were supported by Nobel Peace Prize laureates led by Óscar Arias, and including Elie Wiesel, Betty Williams, the Dalai Lama, and José Ramos-Horta. They found little support among the world’s powerful nations or the traditional arms manufacturers.

Despite the public support of the Foreign Secretary at the time, Jack Straw, the UK was unable to build a coalition with these nations. As part of a wider strategic objective to revitalise and reenergise international institutions, the UK negotiating team drawn from the Foreign and Commonwealth Office (FCO), the Department for Business, Innovation and Skills (BIS), the Ministry of Defence (MoD), and the Department for International Development (DFID), led by the UK Delegation to the Conference

on Disarmament (UKDis) based in Geneva, formed a plan to get the UN General Assembly to act.

The General Assembly is a deliberative forum based in New York with representation from all UN member states, both large and small. Each member has a single vote in the Assembly. As a body, it has been criticised for favouring rhetorical declarations and seeking consensus at the expense of action.

In order to galvanise the Assembly and encourage it to take responsibility for this issue, the UK sought to build a broad coalition of support: nations serious about regulation of the international arms trade. The central task was to create momentum and ownership, to the point where the idea of failure was no longer an option.

### Defining the UK position

To build support with other nations it was necessary to galvanise relevant interest groups across UK society. For example, the negotiating team spoke with NGOs, business leaders, and others such as faith groups to understand their perspectives and their willingness and ability to help.

Forming a coalition with NGOs and industry was a challenge, given that there has often been more tension than cooperation between the two over the arms trade. But the task of government is to represent all sectors of society, not just the most vocal.

NGOs are undoubtedly effective campaigners. They can reach out to



## The UK's Role in the UN Arms Trade Treaty

influence public debate, both domestically and internationally, in ways that government cannot, generating public support and building initial momentum to a high pitch. But NGOs are rarely 'deal makers'; a fundamental part of their value is their unbending commitment to their key goals, and compromise can be perceived as failure.

Industry's perspective is as important as that of NGOs. The defence industry alone is worth £22 billion annually to the UK and supports more than 100,000 jobs. It represents not only the interests of large multinationals such as BAe Systems, but also a multitude of small-and-medium-sized enterprises (SMEs) that make up the extensive supply chains of modern manufacturing. Their views provided an essential degree of balance and helped the negotiating team understand how an arms treaty might operate as a new industry standard for 'responsible' exporters in the global market place.

The team created two focus groups to develop an agreed UK position. The first comprised leading NGOs (Amnesty International,

### Focus groups

Running a successful focus group process means posing a problem, asking what others think the issues are, and what they think the solutions should be. Then it is necessary to synthesise the views of stakeholders with the views of the negotiating team's position to form a coherent narrative. This was a difficult but necessary process, crucial to avoiding a perception that the UK Government was imposing a solution.

Oxfam and Saferworld) and the second a cross-section of industry and trade associations (BAe Systems, Rolls-Royce, the Society of British Aerospace Companies and smaller SMEs) with FCO officials facilitating discussion with group members and Whitehall counterparts.

Having reached this position, the UK team set up a campaigning partnership with a major NGO (Oxfam) and a major aerospace and defence business (Rolls-Royce) both to advise the UK team and to engage on the UK's behalf at the UN and in their own constituencies. The ability of these seemingly opposing groups to work together was a powerful symbol of what the UK was trying to achieve with the Treaty.

### Building and maintaining a core group of nations

With the UK position developing coherence, the team began a similar process of focus groups with 30 member states and other international organisations.

Eventually a core group of seven supporters for the Treaty (Australia, Argentina, Costa Rica, Finland, Kenya and Japan) was forged from outside the traditional power groupings. These states acted as multipliers within their own regions, helping build support in the General Assembly and outside in the wider world.

As momentum built behind the proposed Treaty during 2010, larger, traditionally more powerful nations (notably France and the USA) aligned themselves with the UK. This in turn presented a major challenge. To disempower the core group by reverting to old-style power diplomacy at this stage would risk undoing the hard work that had already been achieved. Instead, the UK managed two separate coalitions of support, acting as the co-ordinating link and ensuring both groups felt part of the process.

Linking groups of the powerful and a wider constituency of those who



Peter Woolcott (centre), President of the Final UN Conference on the Arms Trade Treaty  
UN Photo/Eskinder Debebe





shared the UK's ambitions was a somewhat unusual approach, but it was a role for which the UK was well-suited, given our unique network of global and personal relationships, ranging from historic associations in the Commonwealth, through our membership of the EU, G8, G20, and a matrix of military, defence, and intelligence relationships.

Any such international negotiation relies heavily on the skill of the Chair to help bridge the policy divide and produce a draft treaty text that reflects the highest common factor of views expressed. The Treaty process was particularly well served by Argentina's Ambassador Garcia Moritan and Australia's Ambassador Woolcott, who chaired the two final negotiating conferences, although UK experts were closely involved with the drafting throughout. Nonetheless, delivering the final votes – 153 in favour with three against (Iran, North Korea, Syria) and 23 abstentions –

required a huge last minute lobbying effort. Ministers and senior officials across the FCO worldwide network often called their counterparts in person to underline the importance of what was likely to be a historic vote.

#### The role of social media

If diplomacy is a process of building influence and relationships, during the development of the Treaty it became increasingly clear that social media would now have a substantial impact on the way modern diplomats carried out their tasks. For example, online debate between opponents of the Treaty, such as the USA's National Rifle Association, and supporters from NGOs and governments, was held through social media channels. This is true not only for the international audience, but also in the UK domestic context where parliamentarians and civil

society follow the online debate closely.

At one level, social media platforms were a central part of information gathering. When constructing the UK position for the Treaty the team frequently drew on facts and figures from think tanks and the business community that had been put out through social media. It would not have been possible to attend the many conferences and workshops around the issues, but because links to the latest papers (e.g. on the impact of the arms trade on economic aid) were promoted via Twitter, policy makers were able to find detailed, relevant information.

At another level, having the right followers on Twitter or other platforms can save time and help make diplomats, groups, and organisations influential. If the press corps and news editors are among them, a tweet from the negotiating floor in the UN will be picked up by the



## The UK's Role in the UN Arms Trade Treaty

media and quoted from Dallas to New Delhi without the need for a press conference.

But social media platforms such as Twitter, Facebook, LinkedIn and YouTube were not designed for international diplomacy. Powerful tools though they are, that power can be difficult for governments to understand and required the team to adopt new attitudes and practices.

The speed and breadth of the information flow online is such that diplomats and their governments can no longer hold power by holding on to knowledge. This knowledge should be thought of as less of a commodity or a power to be safeguarded; but rather as power multiplied and distributed through sharing.

The decision-makers and people that officials want to influence – political advisers, journalists, and so on – increasingly get their

information from the internet and tend to be very active on social media. Most policy advisers use blogs as a source of policy information. Online news sources have overtaken traditional broadsheet newspapers.

So when NGOs or other groups mount a campaign through social media channels, it is very important that government engages with them. Like it or not, the first report of an event will start to shape opinions. Governments need to move quickly to get their views back to their stakeholders before they are swamped by the views of opponents or commentators. Officials need to be at the same speed as the information flow; and if they are not, then they will be pushing at perceptions that have already been established. Civil Servants and diplomats must be present online.

### New possibilities

The UK led the campaign for the UN Arms Trade Treaty in a new way, and in changing times. Empowering the General Assembly to act rather than relying on traditional groupings of powerful nations placed a new emphasis on carefully managing a shared narrative. Similarly, opening up the wider negotiating team by bringing NGOs and business together was a powerful symbol of collaboration, and a new force for change. And the seemingly inexorable rise of social media during the Treaty process offered new tools for listening and shaping influential messages that reach out to opinion formers, decision makers and the wider public. The Treaty has been a historic success, and points the way for future diplomacy.

**John Duncan, Foreign and Commonwealth Office**



# Behavioural Insights and Charitable Giving

» Relatively simple changes can have significant effects on rates of charitable giving, according to the Behavioural Insights Team.

 **Donated  
£11.7 billion\***  
\*in 2011



The UK is a generous country. It is home to some of the world's greatest philanthropists, to 150,000 charities, and a public that donated £11.7 billion to charitable causes in 2011 alone.

Charitable donations are not only good for those that receive them. Recent research has shown that individuals are happier when given the opportunity to spend money on others. Similarly, volunteering is associated with increased life satisfaction.

To help support charitable causes, and to make it simpler for those who wish to give to charity, the Behavioural Insights Team (BIT) in the Cabinet Office has reviewed what behavioural science literature suggests 'works' in relation to increasing charitable giving, and tested these insights with randomised controlled trials.



## What are behavioural insights?

Behavioural insights are policies that seek to encourage, enable or support individuals to make better decisions for themselves. They draw on a range of academic disciplines that include behavioural economics and social psychology, whose guiding theme is to understand how people actually make decisions. The Behavioural Insights Team (BIT) draws upon this rich and growing body of academic research, and has a particular emphasis on testing and trialling interventions in real policy settings through the use of randomised controlled trials (RCTs). These RCTs, examples of which are contained within this article, show how effective a new intervention is relative to what would have happened if it had not been introduced. For this reason there is a strong link between the methodology of BIT – based on an understanding of which interventions are most effective – and the Government's 'What Works' agenda, which will establish new organisations to determine which interventions are most effective in a diverse range of policy areas.



## Behavioural Insights and Charitable Giving

These trials show how relatively simple changes to the way that charitable schemes are set up can have substantial effects on levels of donations. The full details of these trials are set out in a recently published paper.

There are four simple lessons that BIT has drawn from the behavioural literature.

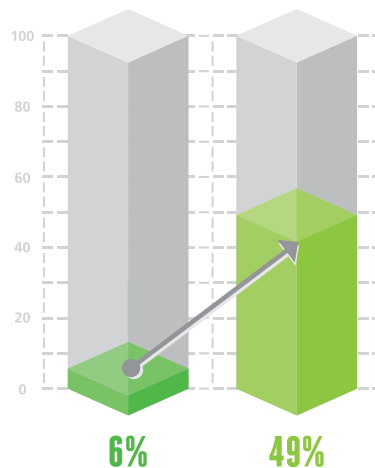
### Lesson 1: Make it Easy

The first lesson is if you want someone to do something, make it easy for them. This is perhaps the most important, and often overlooked, lesson from the behavioural sciences. Simplifying letters from Her Majesty's Revenue and Customs (HMRC) or Jobcentre Plus processes helps encourage tax debtors to pay sooner and job seekers to find work earlier than they might otherwise do.

Making charitable giving more simple might involve simplifying the donation process; prompting someone to give to charity by asking them at the right moment; or automatically enrolling new senior members of staff onto a payroll giving scheme (while, of course, giving them the clear option to decline).

One of the trials conducted by BIT sought to make it easier for people to avoid their charitable donations being eroded by inflation. It automatically enrolled payroll givers onto a scheme which increased their future payments by three percent. When givers were enrolled in this way, the numbers of donors deciding to increase their future payments in line with inflation rose from

Figure 1



**6 to 49 percent** (see figure 1): a huge increase, which helps ensure that donations are not eroded over time.

### Lesson 2: Attract Attention

The second lesson is to attract attention. Behavioural literature is full of examples of how you can elicit behavioural change by attracting attention: rewarding desired behaviour through well-structured incentives, or encouraging reciprocity with small gifts.

BIT has drawn on this extensive literature in a number of its charitable giving trials. One of the most promising was a trial conducted with Deutsche Bank, which encouraged bankers to donate a day of their salaries to a good cause. In this trial, the previous year's methodology – sending a generic email from the CEO alongside posters advertising the scheme – was tested against a number of small but significant new ways of attracting an individual's attention.

The personalised emails and small gifts (such as sweets)

given as individuals entered work proved tremendously effective in enhancing charitable donations from bankers: donation rates were more than doubled. Importantly, these effects seem to be additive. When people were given both sweets and a personalised email, rates increased further, to more than three times those in a control group (see figure 2). In total, this trial raised £500,000.

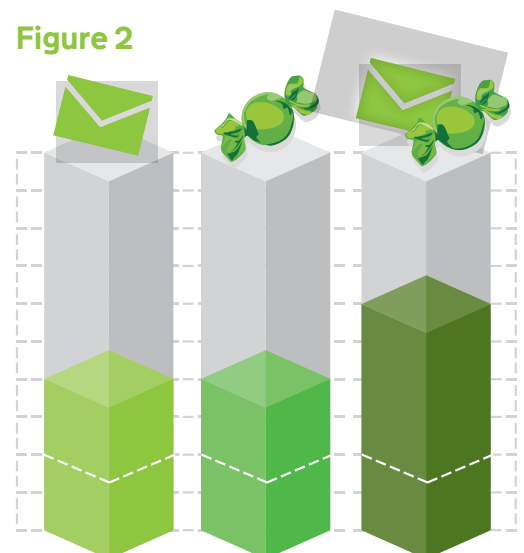
### Lesson 3: Focus on the Social

Lesson three is to focus on the social. We are all influenced by the actions of those around us. Policy makers can use this knowledge to help encourage desired behaviours. BIT knows from working with HMRC on tax returns that if you tell people that the majority of people in their local area have already paid their tax, this increases the response rate among those who have failed to do so.

This knowledge can be brought to bear to help charities increase their donation rates. People are much more likely to donate if



Figure 2



they see others already doing so. When donation rates are revealed to others (as they are on many charity web platforms), donation rates quickly conform to a group norm, which means that a visible, high donation at the beginning of a campaign can have a big impact.

BIT ran a trial with HMRC to see whether there might be a similar impact if employees sought to encourage their fellow workers to give to charity. This attempted to test the impact of peer effects: the social influence of those around you (in this case, colleagues). Colleagues who already currently donate sent e-cards to their fellow workers explaining why they donated and encouraging their colleagues to do the same.

The first group received only the messages from their colleagues. The second group received identical messages alongside a picture of the person asking for the donation. The results were striking: including the picture of the existing donor increased the number of people signing up from 2.9 percent to 6.4 percent, more than doubling sign-up rates.

#### Lesson 4: Timing Matters

The fourth simple lesson is that 'timing matters'. This can be seen across all areas of public policy. For example, individuals find it easier to engage in new habits immediately after they have moved house; people are more likely to pay a fine if prompted before a bailiff is due to come around; and they are more likely to consider saving for their retirement if they are asked to 'save more

tomorrow', rather than to start straight away. The right timing can really help to increase charitable donations, too. For example, people are more likely to make a donation in December than January.

Drawing on these insights BIT ran a trial with the Co-operative Legal Services and Remember a Charity (a group of charities who work together to encourage more people to consider leaving a charitable gift in their will) to see whether charitable giving through wills could be increased.

The trial showed that simply prompting people at the right moment – when they were in the process of drawing up the will itself – was an effective way of

doubling the number of legacy donors. Combining this insight with a 'focus on the social' was more effective still. Telling them that 'many of our customers like to leave money to charity in their will' and asking 'are there any causes you're passionate about?' actually trebled rates.

The results from these trials show how small changes can help charities and givers to support good causes. If you want to know more about using randomised control trials to improve public services, further information is available on Inside Government, a part of GOV.UK.

**Owain Service and Michael Sanders, Behavioural Insights Team**

“ People are much more likely to donate if they see others already doing so. ”



# Policy Making at the Front Line

» Customers and partners are co-driving innovation and cost reductions at Her Majesty's Revenue and Customs.



Her Majesty's Revenue and Customs (HMRC) is seeking to bring end users into the policy making and process design. We believe we can achieve our goals most effectively by taking a more open approach with customers and their representatives – bringing their voice into the heart of designing operational policy and services. Two recent examples, Real Time Information and the Bereavement Service, show how that approach is working.

## Real Time Information

The Pay As You Earn (PAYE) system is one of HMRC's biggest processes, touching around 40 million taxpayers and all employers in the UK. It brings in, at low cost, the majority of income tax and National Insurance contributions in the country. However, it has grown out-of-step with the way the world

of work operates, making our records less accurate. When the PAYE system was introduced 70 years ago, employment patterns looked very different to today's labour market. People now change jobs more frequently, and most have more than one job or pension over the course of their professional life.

Real Time Information (RTI) was introduced in April 2013 to bring the PAYE system up-to-date with these changes. Under the old system, employers and pension providers told HMRC what deductions they'd made from an individual's pay at the end of the year. This was a time consuming process for businesses and inconvenient for employees. As a result HMRC and the Exchequer did not know whether individuals had paid the right amount of tax until the following year. Tax codes could not take into account an individual's changes in job, expenses or pension over







the course of a year.

With RTI, employers and pension providers tell HMRC about tax, National Insurance and other deductions at the same time as they run their payroll, rather than waiting until the year end. More regular reporting adds up to more accurate data, meaning that businesses are able to incorporate PAYE reporting into their day-to-day payroll routines, saving them time and money, while helping HMRC collect the right tax at the right time.

From just ten pilot employers in April 2012 the scheme grew quickly to nearly 60,000 employer and pension provider PAYE schemes by the end of March 2013. Alongside the pilot, a customer user group and a programme of customer research helped test new systems, guidance and communications, ensuring issues were fixed before the main roll-out to nearly two million employers. The pilot

phase revealed that many small employers were not operating PAYE in a way that HMRC had designed or envisaged. It also explained why many small businesses were expressing concerns about how they could implement RTI.

During a series of visits to the premises of small businesses and their agents, we saw how businesses were keeping manual records of payments and calculating the tax and National Insurance at a later date, so payments to employees were handled separately from a monthly payroll run. A choice had to be made whether to force businesses to improve their administration before rollout, or to adapt RTI for such schemes. By working with agents and employers, we agreed a change in regulations. Where it proved impractical for businesses to report to us when they made payments to employees, we gave them an

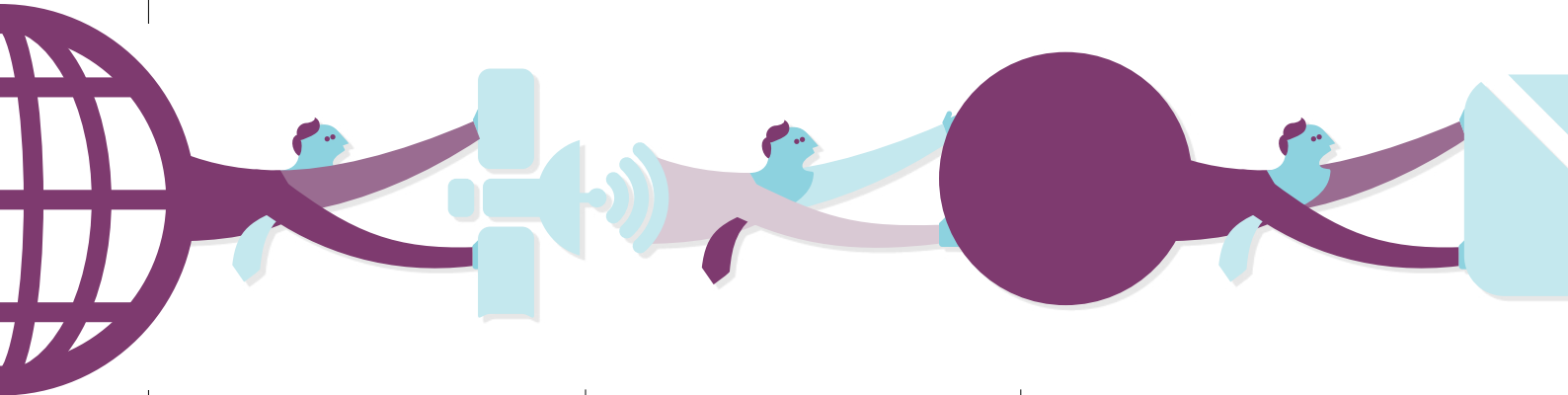
additional seven days. That meant those payments made to hop pickers in a field, or cash payments made from the till in a busy pub at midnight, could be reported through RTI to HMRC.

However, businesses also remained concerned about the costs of changing from a monthly to a weekly payroll system, especially where they were paying an agent to handle the transaction.

So we reached a second compromise, agreeing that businesses who were paying employees weekly but operating a monthly payroll would not have to send through payroll data every payday for at least six months. They would need to start keeping more up-to-date records, though, as a condition of following this new system. We have recently agreed to extend that relaxation until the end of the tax year, based on our ongoing work with customers and small



## Policy Making at the Front Line



business representatives.

An open relationship with commercial software companies also worked to everyone's advantage. As a result of HMRC's discussions and input, software houses have produced packages for employers to use to report payroll data in real time. Various providers also produced YouTube tutorials. Together, these approaches have helped HMRC inform hard-to-reach smaller employers about the new RTI changes. We also ran our own Twitter Q&A sessions alongside targeted advertising for affected employers.

Since our main roll-out started in April 2013, more than 1.4 million employer and pension provider PAYE schemes (around 75 percent) have started reporting in real time. Commentators have generally recognised that the early stages of the rollout have been successful and have credited HMRC with having listened to its customers and their representatives carefully. While it is still early days, and we have much yet to do to complete the transformation of PAYE, we are well ahead of our own expectations for the rollout. The approach to bringing our

customers and partners into the design of our programme seems to have paid off.

### The Bereavement Service

The same approach was used to transform HMRC services for the recently bereaved. Historically, customers dealing with the tax affairs of a deceased relative received no special treatment, despite the sometimes complicated nature of their enquiries and the delicate time at which they were made. A project set up last year not only improved the service for these customers, but reduced costs for HMRC.

Representatives from Tax Help for Older People and the Society of Trust and Estates Practitioners worked closely alongside our own project team to analyse complaint letters and meet with customers who had recently been bereaved. Together they helped us design a new service, from testing and rewriting letters to re-designing forms and guidance, which simplified and streamlined processes that had been designed more to suit the needs of the tax system than those who used it.

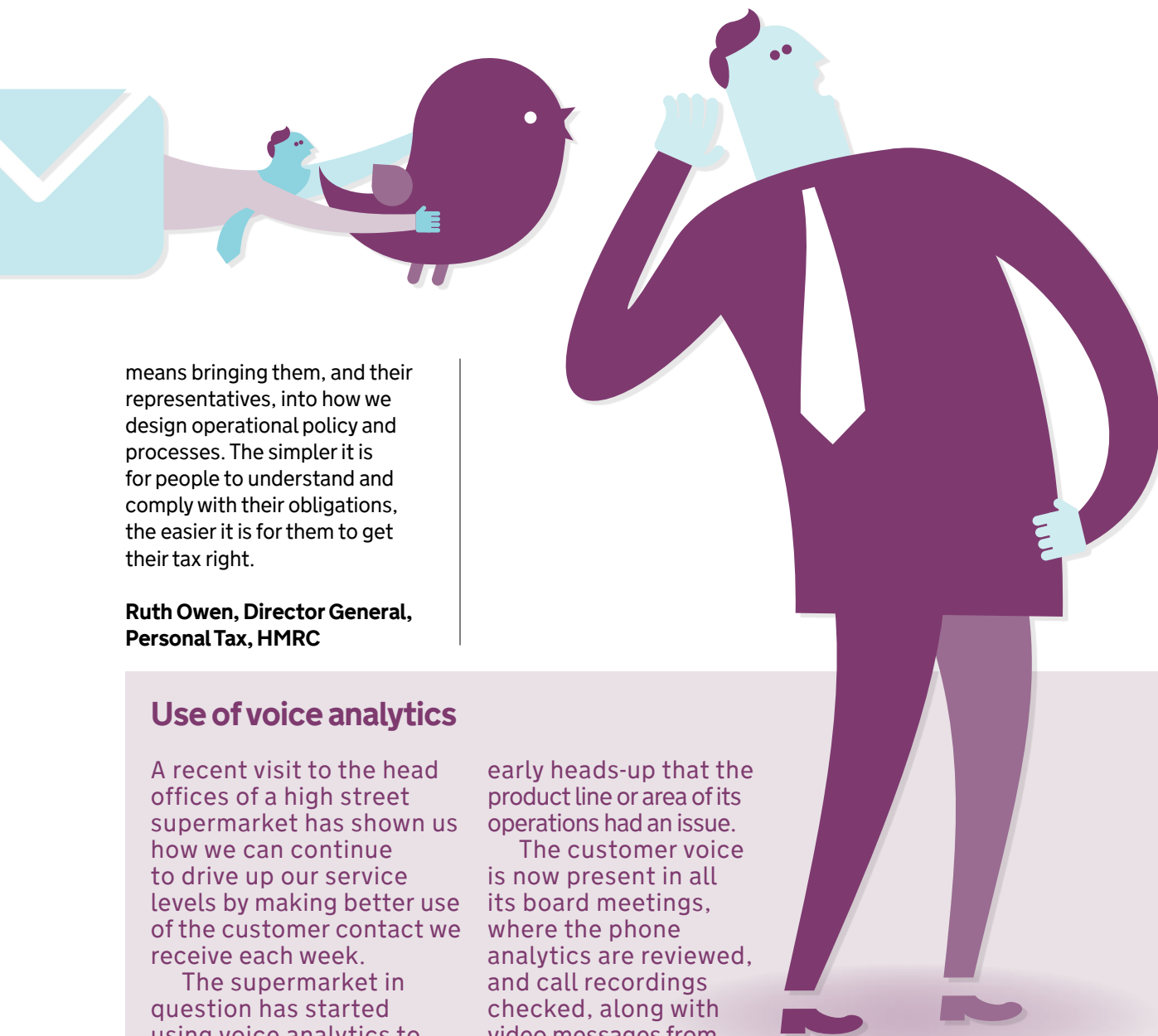
Via this process, our customers told us how important it was for them to settle their late relative's tax affairs as soon as possible, rather than having to wait until the end of the tax year. We were able to respond with a new specific HMRC helpline for bereaved customers. The affairs of surviving partners are now also reviewed as quickly as possible after we receive a notification of death.

The changes were relatively small and inexpensive but have made a huge difference. Clearer processes have reduced confusion and error at what can be a very difficult time, speeding up processing of these cases. There are less calls and letters relating to bereavement and complaints have dropped by 28 percent.

### What next?

Learning from these examples, designing around the customer is becoming the norm at HMRC. From reviewing existing processes to introducing new government policies, we need to work with an understanding of our customers' attitudes and behaviours. That





means bringing them, and their representatives, into how we design operational policy and processes. The simpler it is for people to understand and comply with their obligations, the easier it is for them to get their tax right.

**Ruth Owen, Director General,  
Personal Tax, HMRC**

## Use of voice analytics

A recent visit to the head offices of a high street supermarket has shown us how we can continue to drive up our service levels by making better use of the customer contact we receive each week.

The supermarket in question has started using voice analytics to identify key trends in their customer calls received at its contact centres. It uses this technology to pick up and address problems very quickly. For instance, a large spike in the use of the word 'petrol' on customer calls one day would provide an

early heads-up that the product line or area of its operations had an issue.

The customer voice is now present in all its board meetings, where the phone analytics are reviewed, and call recordings checked, along with video messages from call centre agents to highlight the week's hot topics.

Our next steps in opening up our policy making to customers will be in following the supermarket in using customer call recordings and feedback from

online customers at our key decision making bodies. It's another step towards HMRC becoming a genuinely open organisation, with the customer voice at the heart of its work.

# Interview with Dave Ramsden Chief Economic Adviser to HM Treasury

» Fiscal credibility is key to managing the economy, explains the Chief Economic Adviser to HM Treasury, in conversation with Sir Richard Lambert

In the end, says Dave Ramsden, it's all about credibility. The Chief Economic Adviser to the Treasury and Head of the Government Economic Service, Ramsden is talking just a few hours after the Chancellor, George Osborne, has announced details of the spending programme for 2015-16, and the point he is making over and over again is that so long as the financial markets believe you are determined to do what you say you are going to do, you can cope with all kinds of unexpected economic shocks and disappointments. If not, not.

"Having a credible fiscal position – everything flows from that. You've seen from the experience of other countries that if your core fiscal strategy isn't seen as credible, then everything else is at risk," Ramsden says. By contrast the UK Government has kept its fiscal promises, and has been rewarded by the markets even though the headline economic numbers have not turned out as originally hoped.

This is Ramsden's first interview of its kind, and he is anxious to get it right. "I will try to avoid my tendency to go on a bit, so do interrupt me," he urges. But his message is clear. The Treasury's plans are built on what the IMF has termed

a multi-pronged approach to managing the economy – fiscal policy, monetary policy and structural reform, including the rehabilitation of the financial sector. Each is closely linked to the other, and everything depends above all on fiscal credibility.

Over the past three years, he goes on, the Government has stuck to its core fiscal plans. Growth has been slower than the Office for Budget Responsibility had forecast back in 2010 thanks to a number of economic shocks. The Euro zone has been through turmoil; rising oil prices have pushed up the pace of inflation with painful results for living standards; the troubles of the financial sector have had a bigger impact than most people had expected.

But the Government has pressed ahead with its fiscal consolidation plans. A true Treasury official, Ramsden refers several times to what is obviously a well thumbed page of this year's Budget book. This shows that the Government's total plans for fiscal consolidation over the period to 2014-15 amount to £103bn – of which £74bn has already been achieved, through a combination of spending cuts and tax increases. So it's well on the road to achieving its goals.



Dave Ramsden

This determined performance has given credibility to fiscal policy, and allowed policymakers to respond with flexibility to disappointing growth figures. Rather than coming up with even deeper cuts to keep the headline deficit on track in the face of a weak economy, the Treasury has allowed the so-called "automatic stabilisers" to operate – rising benefit payments and falling tax receipts that cost the Exchequer money, but which help to ease the pain during tough economic times. Investors have not panicked at the resulting increase in the deficit figures, because they have confidence in policymakers' determination to get the numbers back on track over time.

"The headline deficit has been much higher than forecast, and you might think that the markets would be challenging that with the result that it would cost us more to finance the debt," Ramsden says. "But we



haven't seen that."

Indeed, the Government has just succeeded in borrowing money for the extraordinarily long period of 55 years at a rate of just 3.6 percent. That wouldn't have been possible if the markets did not believe that the UK was determined to get its public finances back into shape.

out specific commitments for over £100 billion of that. This has allowed the Government to commit to the biggest programme of road enhancements since the 1970s. Ramsden observes: "that's typically very high value added." Delivering that programme would mean that the public

announced are measures that will be required to meet the Office for Budget Responsibility's forecast for 2015-16, which is still a deficit as high as 5 percent of gross domestic product, and overall borrowing on the public sector net debt measure of around £1.5 trillion.

"And that's why credibility is so important. What would really put certainty at risk would be if there was a loss of confidence in the Government's finances."

The fact that the economy now appears to be stabilising and may be picking up speed a little will provide a more supportive backdrop to continuing with the consolidation – but continue it will have to, for a while longer. On current plans, the public finances should be on a sustainable path by 2017-18 – but at that point the UK will still have very high levels of outstanding debt, at least by recent standards. So life in the public sector is not going to get a whole lot easier anytime soon.

So on to the second prong of the macro-economic strategy, which is the management of monetary policy. But this too is dependent on policymakers sticking to their promises on the fiscal side.

"Fiscal credibility also means that the monetary authority can concentrate on supporting the economy rather than worrying about whether there is going to be a loss of confidence," Ramsden says. And the Bank of England has been able to take advantage of that: tight fiscal policy has at least partly been offset by extraordinarily loose

**“ On the fiscal side, we are delivering on the plans. That doesn't mean the deficit works out as forecast because the automatic stabilizers have been allowed to kick in. But investors can see that the commitment is being turned into action, and today's events – announcing the details of the spending round - will be seen as further reinforcement of credibility. ”**

Ramsden adds that many countries would be surprised that the UK is setting out detailed spending plans for three years into the future – after all, quite a lot of big economies look no more than 12 months ahead. But this approach further adds to credibility and creates a kind of virtuous circle. "We have the institutions here – including the parliamentary institutions – that mean you can set out plans that far ahead, and they can be delivered."

And that brings added benefits. Over the next Parliament the Government will spend at least £300 billion of capital. The Chancellor and Chief Secretary in the recent Spending Round set

sector share of investment in the current decade would be higher than in the last despite having to deal with a massive hole in the public finances.

This should bring encouragement to the private sector. "One of the things that's very obvious is that private sector investment, which is going to be the driver of the economy, is very subdued. So it's important to give the private sector more certainty in terms of the public sector's plans, whether it's directly on road building to improve the efficiency of transportation, or by setting out more of a framework for what's happening in the energy market."

Ramsden reminds us that what the Chancellor has just



## Interview with Dave Ramsden Chief Economic Adviser to HM Treasury

monetary policy, with the official interest rate close to zero and £375 billion injected into the economy by the Bank's purchase of Government debt through its quantitative easing programme.

Ramsden chooses his words carefully – the Bank of England has cherished its independence for the past 16 years, and would not take kindly to any hint that the Treasury might be seeking to influence its affairs. But he makes three points which are relevant to the current economic conjuncture.

One is his suggestion that if there is still a lot of spare capacity in the economy, with unemployment above any definition of equilibrium over the medium term, then the implication is that there should be no need to tighten policy for a considerable time. So long as there is slack to be taken up, output can rise without creating the kind of inflationary bottlenecks that would trigger the need for higher rates.

The second is that there is still firepower left in monetary policy, even after the expansionary policies of recent years. Ramsden says that the Monetary Policy Committee has repeatedly emphasised this point in the minutes of its monthly meetings, and now has a new instrument in its toolkit in the shape of the Funding for Lending scheme.

Finally, he emphasises the important role of good communications in the way that central banks shape market expectations about the future direction of policy. He doesn't talk specifically about the new Bank Governor, but he is obviously very interested in what the Bank is due to announce in August, and whether it intends to set out more detailed guidelines about how it will react to economic

developments in the future.

So finally to the structural side of the economy, starting with the labour market. The performance here has exceeded all expectations, with private sector employment rising despite the steep fall in output. This, says Ramsden, is the result of 30 years of reforms going all the way back to the 1980s, and he contrasts the fact that participation in the labour market has held up well in the UK with the way it has dropped sharply in the US.

It's true that the result has been a steep fall in productivity in this country. "Economists always grapple with the notion of efficiency versus that of equity," he says. "But relatively low unemployment and relatively low productivity is a better welfare outcome than higher productivity and higher unemployment." As we learnt in the recessions of the 1980s and 1990s, the longer people stay out of work, the harder it becomes for them to get a decent job.

A big structural challenge now is the future shape of the banking system. "One of the things the Chancellor made clear in his Mansion House speech is the importance of looking at whether the banking sector is playing its normal role in allocating capital to the right parts of the economy." And of course there are also the big questions about how best to return the taxpayers' shareholding in the Royal Bank of Scotland and Lloyds Banking Group to private sector ownership.

So there's lots still to be done to deliver all three prongs of the Government's economic strategy. But is there anything in all this to cheer up Civil Servants? After all, they've just had to work through another

round of painful cuts, and they understand there's more to come. They know there will be pressure on their pay and numbers for quite a while. What's there to look forward to?

Ramsden stresses that he understands the challenges faced by Civil Servants. But talking about the Treasury and the 1,500 members of the Government Economic Service, he says there is an enormous demand for quality policy advice and analysis of a kind that has a real impact on life in this country.

For example, government economists have looked at all the capital projects that the Chancellor has just announced to make sure they will bring high returns on the investment. He hopes that when they see the news and read about the outcomes, Civil Servants in all departments will be able to feel that they've made a real contribution.

**“ In a sense, that's why we are all doing it. We are here because we want to make a difference to policy outcomes – whether it's the kind of work the Treasury does, or delivering the policy in the way that most Civil Servants do. ”**

“So that,” Dave Ramsden concludes, “would be my pitch.”

# Putting Data to Good Use: Helping Offenders Find Work

» Data sharing between two government departments has had a huge impact on offenders' lives, and points to new ways of working across other areas of government.

The Government's Social Justice Strategy aims to provide the most disadvantaged in our society with the support and tools to turn their lives around. It recognises that tackling poverty has to be about more than just using the benefit system to move people over a certain income level. Instead, it needs to genuinely change people's lives, tackling the root causes of poverty: family breakdown; poor educational attainment; worklessness; drug and alcohol addiction; and debt, amongst other issues.

To achieve the goals of the Strategy a new approach was needed, one focused on early intervention and greater collaboration across the public sector. One example of this approach in action is the work analysts in the Department for Work and Pensions (DWP) and the Ministry of Justice (MoJ) have done to inform a new approach to helping those leaving prison find work.

## Understanding disadvantage

Many offenders experience a lifetime of social deprivation. They lack the skills to break a cycle of re-offending. For instance, more than half have the reading, writing and numeracy skills of a child of age 11, while just under half of prisoners will re-offend within 12 months of release. There is good evidence to suggest that finding work can help break



Helping an offender find work

this cycle of re-offending, benefitting society as a whole and potentially saving significant cost to our justice, benefit and health services.

However, before 2011 the government did not have sufficiently good employment and benefits data on offenders to understand the scale of the problem and help design effective services. There were a number of minor evaluation databases, surveys and administrative datasets including disadvantaged 'markers' but these were unsatisfactory – the coverage was poor and self-reported. Departments had to become much better at linking the relevant administrative datasets

across the public sector.

In 2010, DWP and MoJ began an innovative data sharing project. For the first time this brought together information on 3.6 million offenders in England and Wales and their interactions with benefit system, employment programmes, work and the justice system. This work changed the two departments' understanding of the journeys offenders were likely to make.

The most powerful and influential insights have centred on the different experiences offenders have had in the benefit system compared with other claimants. Prison leavers on Job Seekers Allowance (JSA) have a similar claim



## Putting Data to Good Use: Helping Offenders Find Work

pattern compared to other JSA claimants, with around 10 percent remaining on the benefit after 52 weeks. This might be taken to suggest that there is no need for any special provision or early intervention to help those who have recently left prison.

However, the data share also allowed analysts to look at the likelihood of a prison leaver being on any out-of-work benefit in the three years since the start of their initial JSA claim. This would include any broken benefit spells or changes in benefit status. Here a quite different picture emerges, with prison leavers on average spending 57 percent of the three years on one of the main working age benefits, compared to 42 percent by the average JSA claimant. This suggests that prison leavers face a greater set of barriers than the average JSA claimant and that earlier intervention could maximise time in employment and reduce their

time on benefits – helping both them and the taxpayer.

As a direct result of this analysis, from 2012 prison leavers who go on to claim JSA are now mandated to the DWP Work Programme on day one of their claim. This enables them to benefit from additional job-seeking support at the earliest opportunity. The effectiveness of this approach will be fully evaluated, with initial results expected in summer 2014.

### Employment and re-offending

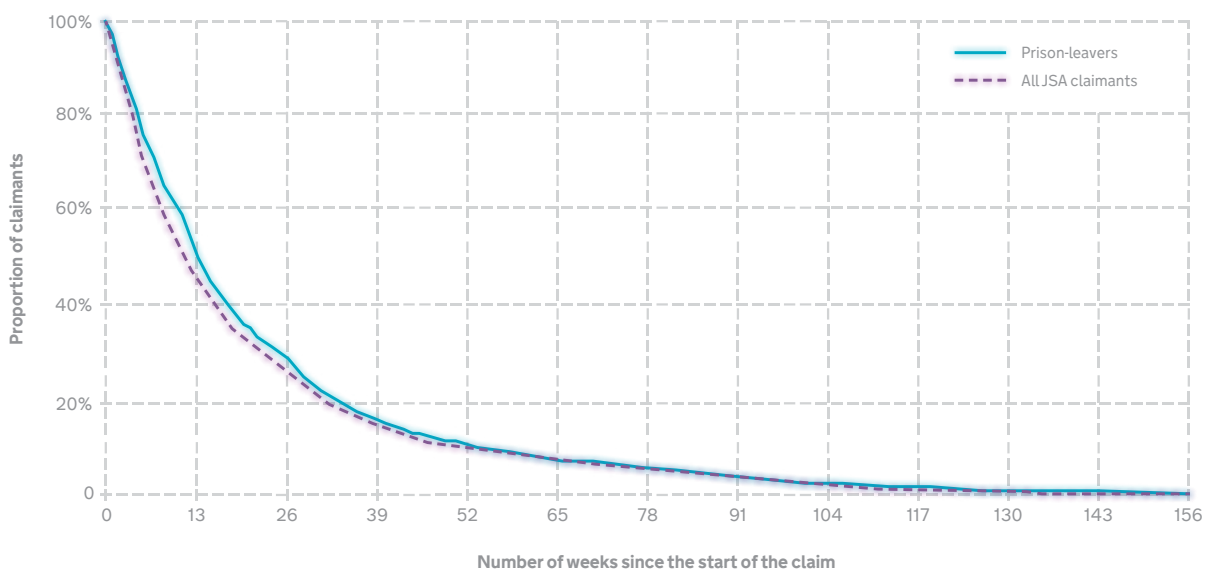
MoJ used the datashare to analyse the impact of employment on re-offending. This compared re-offending rates for those with a P45 record of employment for those with a P45 record of employment (which shows how much tax someone has paid on their salary in the tax year) in the year following release from prison to a matched comparison group

of prison leavers with no P45 employment. Results showed that for prison leavers included in the sample:

- *Prison leavers with P45 employment in the year after release were less likely to re-offend than similar prisoners who had no P45 employment on release*
- *For custodial sentences of less than one year, the one year proven re-offending rate was 9.4 percentage points lower for those who found P45 employment after release than for the matched comparison group*
- *For sentences lasting one year or more, the one year re-offending rate was 5.6 percentage points lower for those who found P45 employment than for the matched comparison group*
- *The time from release until first re-offence was longer for prison leavers who*

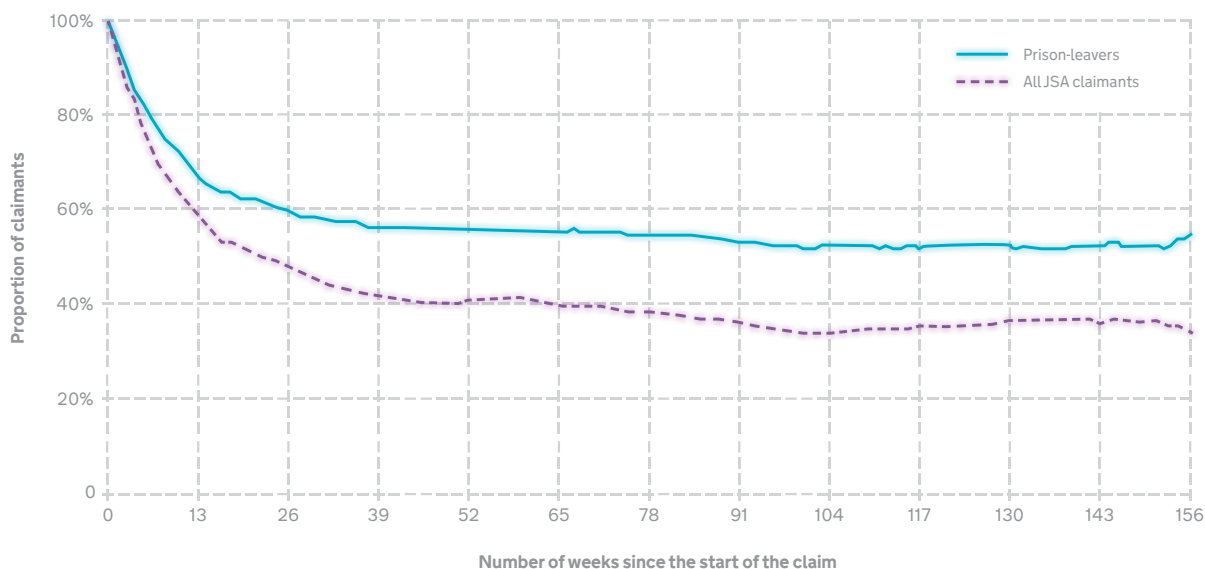


**Figure 1: Duration of initial JSA claim for released prisoners and the average JSA claimant over three years from the initial JSA claim**





**Figure 2: Overall out-of-work benefit status for the prison-leaver population and average JSA claimants over a three year period from the initial JSA claim.**



*got P45 employment than for the matched comparison group (who did not get P45 employment).*

### The principle of data sharing

This is a powerful example of how secure sharing of anonymised data across government departments can contribute to service improvements for some of the most disadvantaged people in society. Previously, such information may have been gathered through a specific data collection exercise or survey, which can be costly and time consuming. The project demonstrates the possibilities of joining up data across departments, and this is likely to become an increasingly important and common, yielding new insight at relatively low cost.

The shared data here has been used to inform MoJ's Transforming Rehabilitation

strategy which seeks to incentivise providers of rehabilitative services to focus on reforming offenders. We expect to see dynamic responses to the causes of crime, including looking at employment and skills. To build on this success DWP and MoJ are moving to an annual datashare, using the information to evaluate the Work Programme Day One and other Payment by Results initiatives.

Both DWP and MoJ are also actively exploring data sharing opportunities with other departments. Under the Government's Social Justice Strategy, data sharing will be used to inform a complete recovery system for people with alcohol or drug dependencies, to help identify troubled families, to provide financial advice to people at risk of indebtedness, and to provide support to victims of domestic violence. Across government, it is necessary to identify

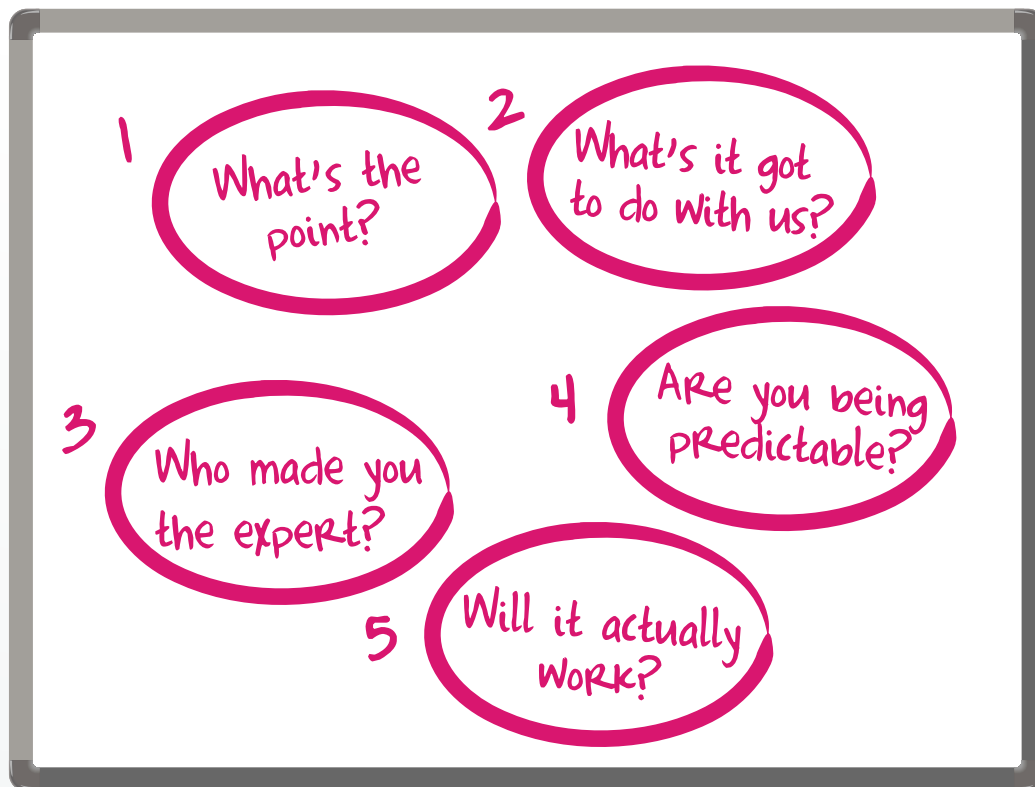
children at risk of harm, to reduce fraud and error, and to increase our understanding of the citizens we serve, allowing for individualised and localised services. Joined-up services require joining up data, allowing smarter evidence bases to be developed.

**Stephen Meredith,**  
Social Justice Directorate,  
Department for Work and  
Pensions

**Melissa Cox,** Ministry of  
Justice Analytical Services

# The Policy Tests: Transforming Policy in the Department for Education

» “What’s the point? What’s it got to do with us? Who made me the expert? Is my advice predictable? Will it actually work?” These are questions that policy makers should constantly ask themselves.



Last summer the Department for Education (DfE) undertook a review of the size, shape and role of central government in education and children’s services. One challenge the review identified was how the department could consistently make and deliver ‘world-class’ policy. Research told us that our main stumbling block was not having a shared perception of world-class policy and how to make and deliver.

In response the department introduced five ‘Policy Tests’, which were launched in January this year. These are clear, challenging questions to transform the way we make and deliver policy in DfE. The Tests set out the standards that we should aspire to and challenge us to ensure that policy is purposeful, necessary, evidence-based, yet radical, creative and deliverable.

Many previous attempts to improve the quality of policy have foundered because they represented linear policy processes and didn’t address the messy realities of policy-making. By focussing on clear questions we have developed a practicable approach to policy-making, one which we hope serves new policy and incremental changes to existing policy and delivery equally well.



### Thinking about policy

Successful policies have the power to change people's lives; flawed policies fail the public and can be incredibly costly. Walk into any high quality bookshop and there will be a plethora of books on different professions, from business to beauty, yet very little on making government policy, despite its importance in shaping peoples' lives.

Many government departments have developed their own ways of talking about and visualising the policy process. These descriptions often set out the stages of policy development and delivery in the form of 'policy wheels' or as linear processes. These approaches have value but we found that many DfE staff thought them too abstract to be of practical use. Research by the Institute for Government (IfG) suggests four reasons why past attempts to reform policy making have fallen short:

- setting an idealised process too distant from the reality of policy-making
- offering realistic ambitions but not specifying how they will be achieved in practice
- reorganising structures to improve policy without embedding a view of what good policy-making looks like
- neglecting the role of politics and not engaging ministers in reforms.

### Creating the tests

We wanted to avoid the pitfalls of previous reforms, build on existing best practice, and develop something rooted in reality that would directly speak to staff and would contest the idea that clear standards could only apply to certain people or circumstances. We wanted no excuses for anyone involved in policy not to apply the Policy Tests.

IfG suggested seven 'policy fundamentals' integral to policy development. Similarly, DfE wanted something clear and arresting that encouraged officials to pause and reflect on whether their work met such high standards. We were influenced by the hypothesis of The Checklist Manifesto (a book by the American surgeon and journalist Atul Gawande) that the right kind of checklist liberates rather than stifles professionals.

From here, the idea of developing a short, comprehensive set of questions began. Paul Kissack, Director

of Safeguarding Group, was instrumental in drafting the questions and setting their tone. Staff were consulted throughout the evolution of the Tests, as were ministers, who strongly endorsed the final set.

### The Policy Tests

#### Test 1:

**"What's the point? Are you absolutely clear about what the Government wants to achieve?"**

This Test stresses the importance of clarifying the Government's expected outcomes. This may sound obvious, but positions change over time and there are few policy areas where approaches are uncontested. Regular checking of the fundamentals set out in this Test becomes important when developing policy in uncertain situations.

'What's the point?' should be revisited at every policy stage. It means properly defining the problem before leaping to deliver a solution.

**"...under conditions of complexity, not only are checklists a help, they are required for success. There must always be room for judgement, but judgement aided – and even enhanced – by procedure."**



## The Policy Tests: Transforming Policy in the Department for Education

### Test 2:

**“What’s it got to do with us? Are you absolutely clear what the Government’s role is?”**

It is important to take time to define what the Government’s role should be. This test asks: ‘Does market failure occur in the policy area you are exploring? If it does, is it a failure that can only be fixed through some form of government intervention? Are we ‘nationalising’ a localised problem? Are we confident that what we’re doing couldn’t be done differently and better elsewhere?’

### Test 3:

**“Who made you the expert? Are you confident that you are providing world-leading policy advice based on the very latest expert thinking?”**

Ministers expect those advising them to be world experts in their policy area – or know the views of those who are. Exclusive access to data used to mean that Civil Servants had a monopoly on policy advice. The democratisation of data now allows commentators, practitioners and the public to draw their own conclusions about public policy questions. In this new world Civil Servants need to have an intimate knowledge of what the leading experts think and what the data tells us.

Alongside traditional methods of collaboration and partnership, DfE are exploring other ways of harnessing cutting-edge expertise, including the option of contestable policy pilots

### Policy Tests in action

The Social Work Reform Unit’s recent work with the Institute for Public Policy Research (IPPR), Boston Consulting Group and Absolute Return for Kids (ARK) to launch Frontline, an employment-based programme for accelerated entry to social work for high-flying graduates, was a model of Policy Tests thinking in action.

Frontline is a radical departure from the established view of social work education. Consciously challenging emerging thinking against the Tests reinforced the team’s belief that they had a significant, innovative proposition and allowed them to clearly frame their planned reforms to ministers.

“The format of the Policy Tests - a set of questions phrased as a deliberate challenge to woolly thinking or to acceptance of the status quo, were really helpful to us in making sure that we were heading in the right direction, rather than going with the flow as we developed the proposals with ARK and IPPR”

*Graham Archer, Deputy Director, Safeguarding Group*

(i.e. projects where ministers seek policy advice from outside the Civil Service). We want to break down the walls surrounding Whitehall and create a more porous environment for innovative policy-making and delivery.

### Test 4:

**“Are you being predictable? Are you confident that you have explored the most radical and creative ideas available in this policy area... including doing nothing?”**


Using this test, we ask if we have been open in generating ideas. ‘Have you inadvertently set boundaries around your thinking like “stakeholders won’t like it”? Are you confident that no one can present an idea you haven’t considered?’

Departments can have

favoured ways of delivering policy outcomes, such as legislation, ‘ring-fenced’ funding or guidance. All have their place but should not become default recommendations. This Test provokes us to explore all possibilities to determine what is most appropriate. In a time of restricted funding, we need to contemplate innovative, cost-effective methods, such as behavioural economics, and use new open policy techniques to their fullest.

### Test 5:

**“Will it actually work? Are you confident that your preferred approach can be delivered?”**

This may sound like common sense but many ideas which look good on paper may not be feasible in practice. 

Clarifying the key players in delivering policy outcomes, and understanding where different policy interventions make most impact, is fundamental to policy success.

It is crucial to involve those who will be affected by policy changes. Alongside traditional consultation and collaboration, we are learning from organisations such as the Design Council and Mindlab, which advocate ethnographic research to give new insights into what approaches will actually work.

### Applying the Policy Tests

Tom Jeffery, DfE's Head of Policy Profession and Director General of Children's Services, launched the Policy Tests in January this year. In order to drive culture change the Tests must be embraced across the department and become the established way of doing things. Early signs are encouraging. Staff have welcomed the no-nonsense challenge in the Tests and find them engaging and provocative, and the Tests are now widely known. One team said that the Tests challenge assumptions: they are phrased as such clear, common-sense questions that if any given policy initiative fails the Tests, everyone knows there is something wrong.

The Tests are now being used within early policy formulation, to review delivery processes and implementation plans, in framing recommendations for ministers, and in reviewing existing policy areas.

Staff are also applying them in more unexpected ways, such as in corporate policies, to challenge other teams' work, and in financial planning.

### Long-term commitment

There have been many attempts to reform policy-making and delivery. For the Policy Tests to make a real difference they require embedding across DfE rather than being a centrally-led initiative.

Having senior weight behind the drafting of the Tests, combined with staff involvement, was crucial to the initial positive reaction. Similarly, senior commitment and advocates at all grades and areas of the organisation are essential to changing behaviour.

Other government departments are considering introducing their own versions of the Tests.

### Emerging critiques

No new approach will be free from criticism. For example, concern that pressure to develop policy quickly can limit application of the Tests. When using the Tests, we must be realistic about timescales and pragmatic about political imperatives. Ultimately it is ministers that make decisions; Civil Servants should strive to make our advice the best it can be.

Some people believe that the Tests over-emphasise innovation at the expense of tried-and-tested approaches. The purpose of "is your advice predictable?" is not innovation for its own sake, but to make us examine our default solutions and whether they produce the best results. Taken alongside "who made you the expert?" this can help us break away from predictability, yet still base advice on evidence.

Colleagues have suggested

additional questions essential for good policy-making.

For example, have we been suitably steeped in the history and context of our policies? Have we spent enough time on the frontline of policy delivery to truly understand the issues? These questions could sensibly be included within the five Tests and we are pleased with the debate the Tests have generated. We will revise the Tests using feedback from those who have been applying them on an on-going basis.

### The goal is world-class policy

Initial reactions have been positive but the proof will be longer term – in a radical improvement of DfE policy. We have laid the foundations, but need to cement culture change by making our policy-making more open, rewarding and disseminating examples of best practice, monitoring the impact of the Tests, and supporting everyone in DfE to develop high-quality policy skills.

The Policy Tests are at the heart of our efforts to make DfE a world-class policy organisation. They provide direct and specific challenge in our work but ultimately their power lies in their ability to spur officials into thinking in a more rigorous and complete way about policy.

**Neal Barcoe and Helen White, Strategy Unit, Department for Education**

# International Disaster Risk Reduction

» **Disaster risks will change over the coming decades. Some level of risk must be accepted, but we can do much more to manage that risk and to build resilience.**

Natural hazards have always been with us. A devastating earthquake in Lisbon in 1755 killed 30-40,000 alone. The 1918 'Spanish flu' pandemic is estimated to have killed up to five percent of the world's population, a number greater than both World Wars combined. The impact of such natural hazards does not stop at UK shores. The impact on UK GDP in 2008 monetary terms was an economic loss of £6.3 billion.

A recent report from the Foresight programme suggests that everyone involved in disaster risk preparedness must play their full role in improving risk assessment.

The report underscores a

## The Foresight Programme

The Foresight Programme, brings together world-class experts from a wide range of scientific disciplines, including the social sciences. Foresight projects, which are developed over six months to two years, combine authoritative interpretation of scientific evidence with a forward look which can be up to 80 years into the future, depending on the topic. Key future trends and uncertainties, together with their policy implications, are highlighted for decision makers.

warning from the UN Secretary-General, Ban Ki-moon, who said in May 2013: "Economic losses from disasters are out of control". Direct losses from disasters since 2000 have

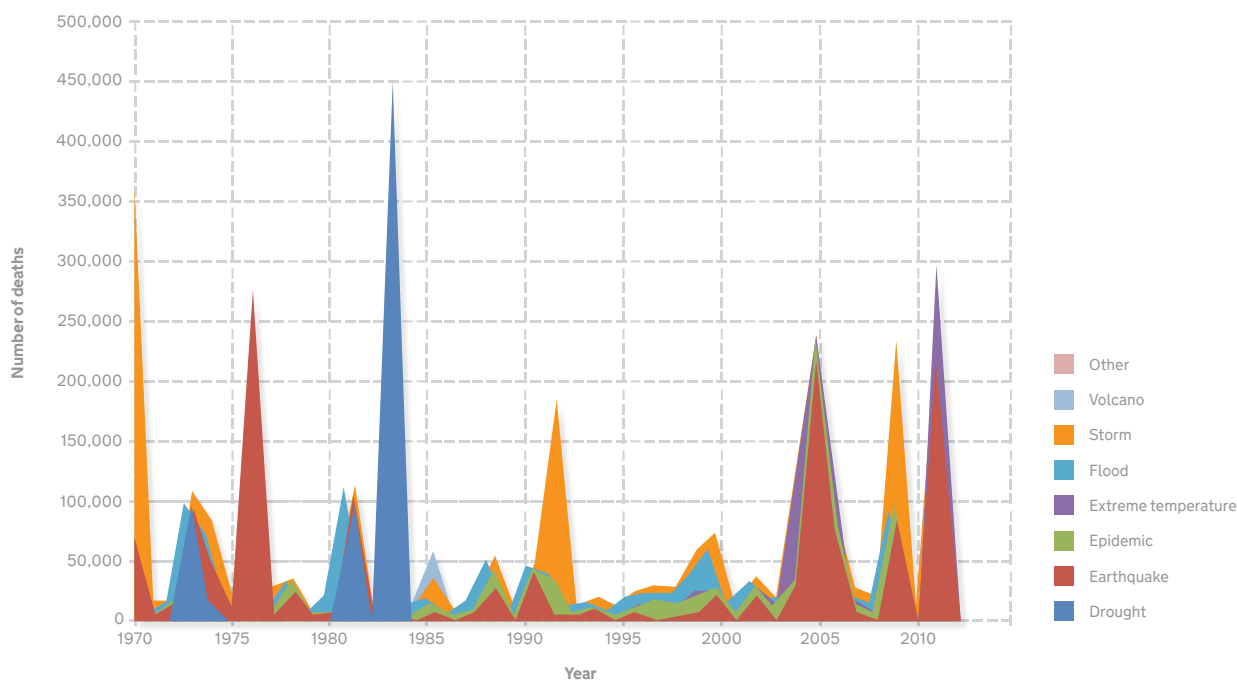
cost \$2.5 trillion. This includes Hurricane Sandy in 2012, the Japanese earthquake and tsunami of 2011, and massive floods in Thailand in the same year. Sandy



Hurricane Sandy, Haiti 2012  
UN Photo/Logan Abassi



**Fig. 1 Deaths attributed to various hazards over the past four decades.**  
(Source: Centre for Research on the Epidemiology of Disasters.)



devastated parts of the West Indies and the entire US eastern seaboard from Florida to Maine. In the past 20 years more than 1.3 million people have been killed in disasters and the lives of many more blighted.

Thankfully, such extreme natural disasters are rare in the UK. Yet our country remains vulnerable to other catastrophes, including extreme flooding. The UK government is already using state-of-the-art science and modelling to protect our citizens and infrastructure. Work on national resilience – the ability to prepare for, respond to, and recover from emergencies – led by the Cabinet Office is in large part formed from evidence that the science base has provided. For example, scientists at the UK Met Office and the Environment

Agency, Public Health England and British Geological Survey have together developed advanced monitoring for natural hazards. Supported by other sources such as crowdsourced information, their analysis is provided to the Government agencies best-positioned to respond.

Drawing on national and international analysis, it is possible to make some predictions about future patterns of disasters and highlight some areas where action can be taken to mitigate risks, both in this country and abroad.

#### Disasters: impacts and trends

As the global population rises and cities expand, more people will become vulnerable to natural disasters.

Many live on flood plains in developing countries. In Asia, this population is expected to triple by 2030. Climate change is likely to bring a greater frequency and intensity of extreme weather – such as more intense rainfall events – which will increase the risk of flooding, and more frequent extreme high temperature events. Rises in sea level, which expose coastal regions to the danger of storm surges, are also likely.

Because disasters are episodic and localised, it is hard to evaluate their relative impact (Figure 1). Volcanoes generally cause few deaths, although a single eruption in Colombia in 1985 led to 20,000 fatalities. Similarly, the relatively low death toll from droughts in the past two decades contrasts with the high value for the 20 years previously. The



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**Table 1: Trends and impacts of some key drivers of future disaster risk.**

Drivers	Effect on exposure	Effect on vulnerability	Effect on resilience	Uncertainties in future trends
Global environment change	↑	↑	↓	<b>Low:</b> Environmental trends are likely to continue even if concerted policy action is taken now. Out to 2040, the overall trend is largely predetermined by actions already taken and the current state of environment.
Demographic change	↑	↑ ↓	↑ ↓	<b>Low:</b> Much of the future age distribution is already determined by the current distribution.
Conflict and instability	↑	↑	↓	<b>Medium:</b> The specific nature of future wars are very uncertain. However, a large reduction in conflicts seems unlikely, as does a return to large-scale interstate war. Civil unrest and instability will continue to flare up unpredictably.
Political and governance change	■	↑ ↓	↑ ↓	<b>High:</b> There is no certainty that democratisation will continue or whether it will lead to increased participation in government processes. International aid and development regimes will continue to change.
Urbanisation	↑ ↓	↑ ↓	↑ ↓	<b>Low:</b> Continued urbanisation seems likely, although the rate may slow.
Economic growth	↑	↑ ↓	↑ ↓	<b>High:</b> A future global economic crisis could change the balance of contemporary economic powers, composition of financial regulatory regimes, or the structure of global institutions.
Globalisation	↑ ↓	↑ ↓	↑ ↓	<b>Medium:</b> Economically and politically, the world in the future will likely be a more connected place, with pockets of isolation remaining for geographical or political reasons. As connectivity expands, accountability and flows of knowledge may increase.
Technological change	■	↑ ↓	↑ ↓	<b>Medium:</b> The most important technological innovations are likely to be those not yet conceived, and attitudes to new technologies are difficult to predict. However, overall spread of new technologies is likely to continue.

- The dominant effect of the driver on the determinant of risk is negligible
- ↑ The driver can lead to a significant increase in the determinant of risk
- ↑ The driver can lead to a slight increase in the determinant of risk
- ↓ The driver can lead to a significant decrease in the determinant of risk
- ↓ The driver can lead to a slight decrease in the determinant of risk

key point is that many of these deaths are preventable.

Human impact is not always reflected in death tolls. This includes injuries, outbreaks of infectious diseases, and damage to livelihoods and mental health. Longer-term and indirect effects include disruption of global trade, the creation of poverty traps by removing incentives to invest, and malnutrition.

Disaster risks over the next three decades will change. Table 1 lists eight of the key drivers, along with the likely directions these changes will take and the associated uncertainties. By 2010, for the first time in history, more people were living in urban environments than in rural settings. Many mega-cities lie on flood plains, low-lying coastal areas or in earthquake zones. In developing countries, up to half of urban populations live in informal, overcrowded and unsanitary conditions which are particularly vulnerable to disasters, and the spread of infectious disease.

Many countries have rising numbers of older people, often among the most vulnerable to disasters. Migrants too are vulnerable. Increases in intensity of livestock rearing and more genetically-uniform crops will encourage disease.

### What can be done

Given that disaster risks will change, and we know many of the reasons for those likely changes, what can government and other organisations do to help handle these risks?

### Improve forecasting

Forecasting of some hazards, such as cyclones and volcanic eruptions, is becoming more





IAEA Fact-Finding Mission assesses  
Fukushima Nuclear Power Plant, Japan  
UN Photo/IAEA/Greg Webb



reliable. Computer models of the climate system and the natural environment are getting better while satellite and other technologies allow more accurate and detailed monitoring. But some hazards still pose a challenge to forecasters.

Drought forecasts depend on knowledge of the short- and medium-term climate system, local physical factors such as soil moisture, and economic and social drivers affecting water use. This complexity means that drought forecasting is still in its infancy. Nor is there any real prospect that earthquake prediction will become routine and reliable in the next three decades.

The spread of infectious disease in animals and humans presents a different kind of challenge. In recent years, there has been better understanding of how humans and their livestock move locally and across borders.

Scientists also have greater insights into the ways in which viruses are transmitted.

For new viral strains such as SARS and H1N1 influenza, modelling remains challenging and human susceptibilities can be assessed only as the disease spreads. But epidemics whose spread is driven by environmental factors (such as cholera) can be increasingly forecast using remote-sensing data.

Even if reliable forecasting is not yet possible, early-warning systems can greatly mitigate the effects of events such as floods and tsunamis. Bangladesh has substantially reduced the flood risks posed by cyclones. It has updated its warning systems, improved shelters and evacuation plans, and raised awareness. In Japan, Twitter messages have been automatically analysed to detect earthquakes.

#### Join up effectively

Much of the modelling for hazard forecasting is intensive and costly. It requires the best possible data, gathered consistently and over sustained periods. Some of the critical data and many of the models have to be global as they depend on measurements made in the atmosphere, oceans and on land. Linking these models to the needs of potentially affected communities requires a mix of expertise from very different disciplines and organisations.

It is increasingly clear that data monitoring and resources need to be pooled – progressing work that the UK has started with government departments and science providers forecasting regularly on emergency natural events.

In handling financial support for disaster relief, there needs to be better



## International Disaster Risk Reduction

coordination between the public and private sectors. In construction and planning good design can promote resilience. Insurance companies already have sophisticated risk models that could open up new markets in developing countries where most assets lost in disasters are uninsured.

### Manage risk and build resilience

Governments, agencies and communities face difficult choices. Both action and inaction have consequences. Investment against risks that fail to materialise can be counterproductive. There is always some threshold of 'acceptable' risk which depends on the nature and probability

of the event, and on the priorities of those potentially affected. Even where the risks clearly justify investment, it can be difficult to get support for schemes far into the future. Investors in aid and development tend to focus on more immediate problems than potentially catastrophic events a long way off. Between 2000 and 2009 only one percent of overseas development aid was spent on disaster risk reduction.

### Reducing risk

Risks from disasters cannot be avoided altogether. They can be transferred by improving insurance coverage and arranging for emergency funds, and reduced by with better early-warning systems

and better urban design. However, for governments, the private sector and all those working to reduce the risk of disaster, the long-term economic case for resilience is compelling.

When dealing with the immediate impact of a disaster, thinking about the longer term may feel like a luxury. But better management and rapid recovery depend on routine forecasting, and accessible results which improve both current and future decision-making. Many hazards cannot be wholly predicted or prevented, but we have the tools to do better.

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Sport Complex used as Evacuation  
Centre during Bangkok Floods, Thailand  
UN Photo / Mark Garten

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