

Case Study

Lambeth's use of randomised controlled trials

Like every other council Lambeth faces considerable challenges in seeking to maintain and improve services and deliver outcomes with less funding. Furthermore the Council is a 'Cooperative Council', adopting an outcomes-based approach to commissioning and co-production with citizens as the Council's operating model. These two drivers have led Lambeth to seek new ways of working that 'deliver more for less' and maximise the impact of its resources.

Growing interest in demand management and recognition of the need to encourage behaviour change, coupled with a desire to ensure Lambeth understood the difference it was making, led the Council to explore the possibility of using Randomised Controlled Trials to design and evaluate interventions more robustly.

Introduction

Though more commonly used in medical trials, Randomised Controlled Trials (RCTs) are the 'gold standard' for evaluation and are starting to be more frequently applied in social policy, in part as a result of the success of the work in central government of the Behavioural Insights Team (or 'nudge unit') set up in the Cabinet Office. Unlike other methods, RCTs can help to accurately determine the attribution of an intervention through the use of a randomly assigned control group. In an RCT, one group receives the intervention or 'treatment' and the other group does not. The observed difference in effect between the two groups allows measurement of the particular effect the intervention has had. This makes it an extremely effective way to assess the success of new or redesigned projects, services or methods of communication.

Initial conversations with a leading academic on the use of trials in public policy, Professor Peter John from University College London, provided the inspiration and expertise needed to begin exploring in more detail how RCTs could be used within the Council. Professor John, who is a technical advisor to the Behavioural Insights Team, worked closely with council staff to design, deliver and review trials, whilst also supporting internal capacity building.

Lambeth's first RCT trial in council tax billing

Lambeth's first RCT tested ways of increasing council tax payments by varying the standard council tax bill sent to residents. The trial was conducted across 8,000 households in three wards and tested a simplified version of the bill. This new bill drew attention to the key information, action required and highlighted the fact that the vast majority of people pay their council tax. These modifications to the standard bill were based on behavioural insights and evidence of effective influences on behaviour change. The trial was extremely successful and the Council found that the simplified bill increased the proportion of people paying their council tax on time by nine percent compared with the control group (who received the standard bill).

Building on this initial success, a number of further trials are either underway, in development or have been completed. These trials aim to improve the Council's performance across key policy areas and challenges to strengthen an evidence-based approach to delivering corporate outcomes.

Lambeth has tested the effect of personalising text messages, through a trial reminding residents to pay their council tax. The trial tested the effect of using people's names, the amount owed and combining the name and the amount. The trial results showed that the effect of using text messages to encourage people to pay degrades when they are used for a prolonged period of time, regardless of the format used, and that they are most effective when used in short bursts.

As well as providing evidence of what works, RCTs have also helped Lambeth to avoid making costly but ineffective changes. One trial tested whether moving the placement of a signature to the top of a form reduced incidence of fraud or error, as has been suggested by other RCTs. A reduction of fraud or error would be expected to reduce the overall number of claims being made. However, when the Council tested the effect of signature placement on Single Person Discount renewals, it found that the treatment made no difference whatsoever to the number of claims made. As a result, the approach was not adopted, avoiding the unnecessary expense of adopting an ineffective redesign.

How long this has been running for

Lambeth's first trial – on council tax collection - was carried out between March and June 2014 and the Council has run a number of further experiments since then, as it tries to embed the use of RCTs and behavioural insights as a standard way of working.

Main impacts of the work

With millions of pounds having to be taken out of the system, ensuring that revenue is maximised is crucial. Increasing council tax collection by just one percentage point generates over £1m in additional revenue, whilst debt recovery adds significantly to administrative costs. As a result of the evidence from this first trial on council tax bills, Lambeth has now adopted the simplified bill – which was more effective at encouraging people to pay – as its standard bill. This was introduced with the March 2015 annual billing process and the Council will continue to monitor revenue collection and identify further refinements that can be made.

The trial has helped improve performance, based on robust evidence of what works, by increasing council tax collection rates, which provides significant additional revenue, reduces debt-recovery costs and help residents avoid incurring additional costs (and potential financial hardship).

The Council's use of RCTs has been recognised by the Local Area Research and Intelligence Association (LARIA), which awarded Lambeth the 'Best Use of Local Area Research' 2015 award. The judges described it as: "an excellent demonstration of a rigorous piece of research that is having a direct impact on service delivery".

Lambeth's initial trials, and the LARIA award, have helped to demonstrate – internally and more widely to local government – the potential to use RCTs and behavioural insights to strengthen the delivery of public service outcomes and improved efficiency.

Plans for the future

The Council's use of RCTs has not been confined to revenue collection and Lambeth is starting to design and run trials across other service areas and internal operations. The Council ran a trial aimed at increasing staff volunteering and trials are being developed that aim to reduce waste, improve internal communications and take up of flexible working. Not everything lends itself to an RCT – although behavioural insights can be used without the need for a trial – and Lambeth is taking care to try and identify suitable policy areas for RCT design.

Its longer-term aim is to build internal capacity and capability in the use of RCTs and behavioural insights, so that officers are able to use them appropriately to improve the Council's performance and increase the delivery of outcomes. To support this, Lambeth has produced and disseminated reports on each of its trials across the organisation and briefed senior managers and Members on progress.

A half-day training session on using RCTs and behavioural insights, which was open to all council staff, helped introduce the concepts, methodology and share the results from our initial trials. Further short lunchtime briefings have also helped raise awareness, stimulate interest and inspire people to consider the potential to use RCTs and behavioural insights to support their work.

Lambeth hopes that RCTs will become used routinely (where it is appropriate to do so) by officers as a means of testing the effectiveness and impact of its work and see the method as supporting the Council's continuous improvement. Similarly, it hopes that the use of behavioural insights will become more widespread – in keeping with its commitment to being a cooperative council and employing a citizen-centred focus. Whilst the Council still has a way to go to achieve its objective, the progress so far has been hugely encouraging.

Contact for further information

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