UNIVERSITY OF BIRMINGHAM

Institute of Local Government Studies

Beyond ‘nudge’

Chapter 3

June 2013

Catherine Mangan
Daniel Goodwin

Beyond nudge – how can behaviour change help us to do less with less?

Catherine Mangan, University of Birmingham, Institute of Local Government Studies (INLOGOV)

and Daniel Goodwin**,** Executive Director for Local Government Finance and Policy, Local Government Association

Introduction

A three-fold change to the design and delivery of public services has been taking place over the past decade. Expectations of user choice or personalisation, emergent localism and most particularly the implications of cuts in public spending, increase tensions within the public service framework. One key factor underpins all of them: they require fundamental change in the expectations of individuals, communities and service providers if best use is to be made of ever diminishing resources and whilst securing public well-being. Many experts have said that the critical public service challenge of the decade is to encourage behaviour that benefits both the individual and the state, whilst preventing long term expense. They want to discourage behaviour which creates user dependency and attracts further costs. Behaviour change is vitally important, they say, because we can no longer provide the services we have always done, in the way we have always provided them. Various approaches to altering the behaviour of citizens have been outlined in a growing body of evidence including Nudge (Thaler and Sustein) 'Think' (John et al) and MINDSPACE (Dolan et al).

However, in this chapter we set out our belief that behaviour change is a necessary but not a sufficient response to the challenges facing public services, because it focuses too heavily on individuals and not on the system as a whole. There is too much reliance on service users choosing to do something different when actually the need is for the individual and the community to think differently. We believe that this requires an attitudinal or cultural change and not simply behavioural change. INLOGOV's new model for public services provides a useful distinction between individual co-production, community co-production and self-help activities (see Chapter 4) which this chapter will draw upon.

Why changing behaviours and attitudes is important

We know that because of the growing gap between councils' income and the costs of providing key services that it will not be possible to bridge the gap unless there are real changes in the mutual

expectations of councils and the people they serve.

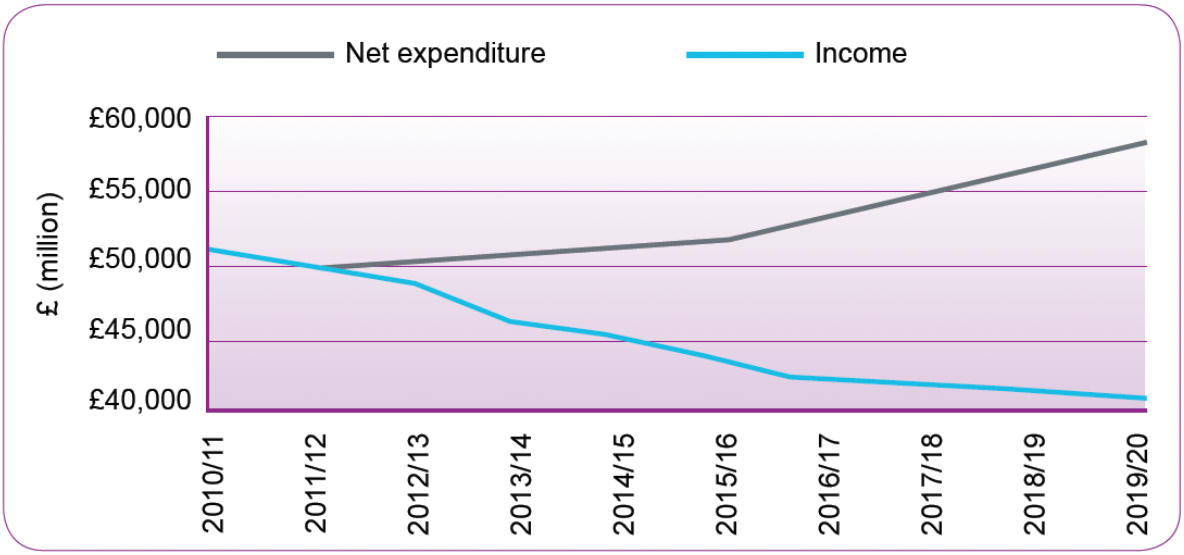


Figure 1: Income v. expenditure from 2011 to 2020 (from LGA Funding Outlook Model (LGA 2013)

Councils are navigating within a 'perfect storm' of reducing funding and increasing demands from demographic change, public expectations and the rising cost of delivering services. Somehow, the level of demand on services from citizens needs to be contained and reduced. Merely changing the way in which existing services are delivered will not save enough money. For example, if the current trend of people needing care continues and the use of personal budgets in their current form is extended, there is a clear risk of double pressures on the public purse, as current services such as day care continue to be provided rather than de-commissioned.

We believe that following simultaneous outcomes will be required in the future, some of which will be the responsibility of public services:

- Reduced dependence/reliance on state to pick up the pieces.
- Improved individual well being and resilience.
- New and improved community/social networks.
- Sustainability – both in terms of the environment and also the future of public services.
- A better understanding in the community of the cost of public service and its relation to taxation.
- A shift in the underlying expectations of individual citizens and communities of the 'deal' that they have with the state as to the provision of public services.

A new contract between the citizen and the state

The underlying implication of the above is that there is a need to change the contract between the individual and the state. There has been a range of reports and statements from think tanks and

central government departments extolling this approach. The following sets out some of the main protagonists:

Example	Source	Main argument
2020 Locality	RSA 2020 Public Services	Need to shift current approach in culture, power and finance. Together, these shifts will open up space for new, bottom-up approaches to solving public problems. This requires a different, but still active role for the state: a state that stimulates social productivity, building citizen capabilities and fostering social resilience.
A new social contract between the citizen and the local state	Commission on the Future of Local Government Leeds City Council July 2012	Local government and partners should forge a new social contract between the citizen and the state in which services can be delivered with rather than to individuals and communities.
Good society	Labour party	It is time to reassess the key relationships and social contracts that link us together – between the state and the citizen, the markets and the public sector, and between each other, as individuals and members of a community, with responsibilities to one another.
Putting People First	HM Government 2007 and subsequent	All social care users should have access to a personal budget, with the intention that they can use it to exercise choice and control to meet their agreed social care outcomes.

The RSA 2020 Public Services final report provides a good summary of many of the more detailed points. It calls for a new 'social citizenship' approach where as citizens we should have a duty to contribute as well as a right to receive support.

Much of this work has made use of behaviour change research and techniques, such as Nudge and other disciplines including work under way in fields as diverse as deep academic social psychology and the Volkswagen fun theory piano staircase. However there are problems with a simply behavioural approach because of the lack of a lasting underlying change:

"The deepest problem with nudge is that it is not transformative. Indeed, darkly, this may be why it is so popular. Nudge changes the environment in such a way that people change their behaviour, but it doesn't change people at any deeper level in terms of attitudes, values, motivations etc. In this respect, nudge creates what psychologist Paul Watzlawick calls 'first-order change' rather than second order change" (Rowson 2011)

Figure 2 sets out an adapted version of the choice architecture as suggested in Nudge, which demonstrates the various approaches open to public sector agencies to use to try and change behaviour. Most public sector agencies, including local and central government, and health providers, have experimented with some or all of these approaches.

	Regulation of the individual		**Fiscal measures directed at the individual**		**Non- regulatory and non-fiscal measures with relation to the individual**					
			Guide and enable choice							
							Choice Architecture- nudging			
Intervention category	Eliminate choice	Restrict choice	Fiscal disincentives	Fiscal incentives	Non fiscal incentives and disincentives	Persuasion	Provision of information	Changes to physical environment	Changes to default policy	Use of norms and social salience
Examples of policy intervention	Prohibiting goods and services e.g. banning certain drugs	Restricting the options available to individuals e.g. outlawing smoking in public places	Fiscal measures to make behaviours more costly e.g. taxation on cigarettes or congestion charging	Fiscal measures to make behaviours more beneficial e.g. tax breaks on the purchase of bicycles and paying people to recycle	Policies which reward or penalise certain behaviours e.g. time off work to volunteer	Persuading individuals using argument e.g. GPs persuading people to drink less, or marketing campaigns	Providing information in e.g. leaflets showing the carbon usage of household appliances	Altering the environment e.g. traffic calming measures, or designing buildings with fewer lifts	Changing the default option, e.g. requiring people to opt-out rather than opt-in	Providing information about what others are doing e.g. information about an individual's energy usage compared to the rest of the street

Figure 2 Table of Interventions, adapted from House of Lords Science and Technology Committee 2011, citing Nuffield 2007

However, whilst it may be helpful to change people's behaviours in the short term through the choice architecture, longer term sustainable attitudinal change may well require a very different approach. This different approach includes public services recognising the potential of citizens, rather than viewing them as one dimensional consumers of services. We know that for instance, older people in receipt of social care packages may also be the best recyclers, provide care and support for other older people and potentially cross-generational stability for troubled youngsters. They may also keep a watchful eye on their neighbourhood and anti social behaviour but public services too readily think of them in only one box. Drawing from the RSA 2020 Public Services work, we can suggest that one individual could play many roles, including perhaps some or all of:

- *Resident*
- *Parent*
- *Grandparent*
- *Citizen*
- *Arts/ sports audience*
- *Transport user*
- *Volunteer*
- *Student*
- *Carer*

In their interaction with citizens, public services need to understand how these roles overlap and also understand where individuals place themselves, in order to be able to 'tap' their potential as assets in the community. Public services should think beyond the role the individual is playing in the given situation to asking whether the individual could also help with providing the service in some way. Are they also a carer as well as being someone in receipt of care? Could they be a volunteer, in some other capacity, whilst also being (say) in receipt of disability benefits? In this way, we start to change the conversation and attitude from 'What services do I need from the state as an older person' to 'What do I do to take charge of my life as a responsible adult, and what guidance and/or help do I need and where does it come from?'

Different 'deals' within the system

Within the system, we suggest there is a hierarchy of services which meet different levels and types of need:

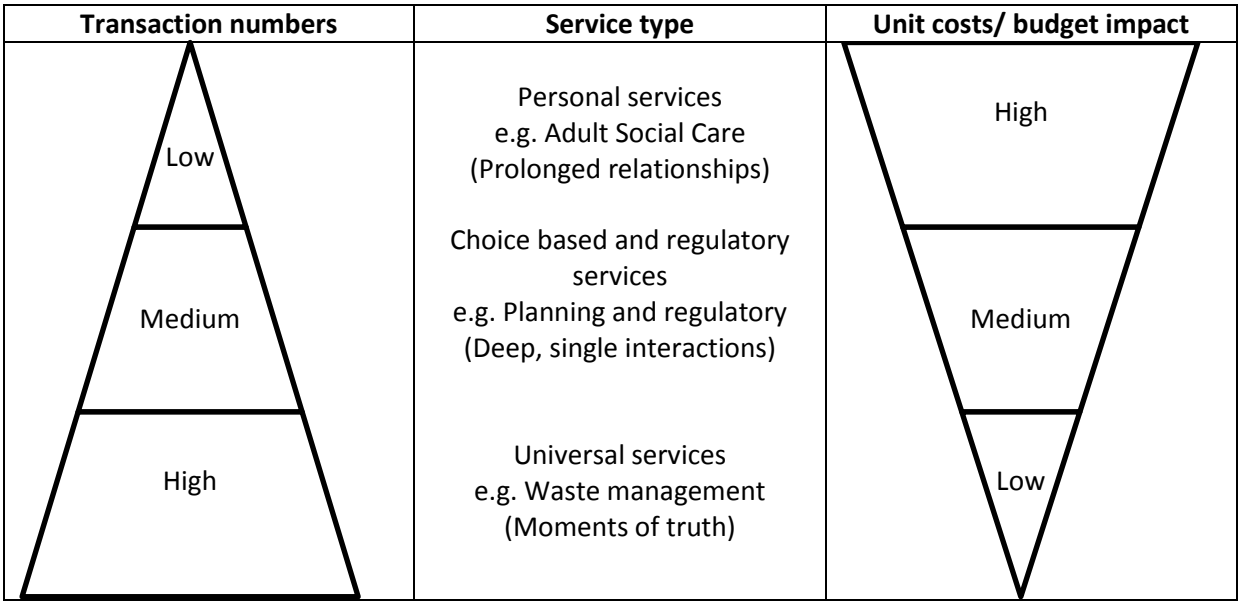
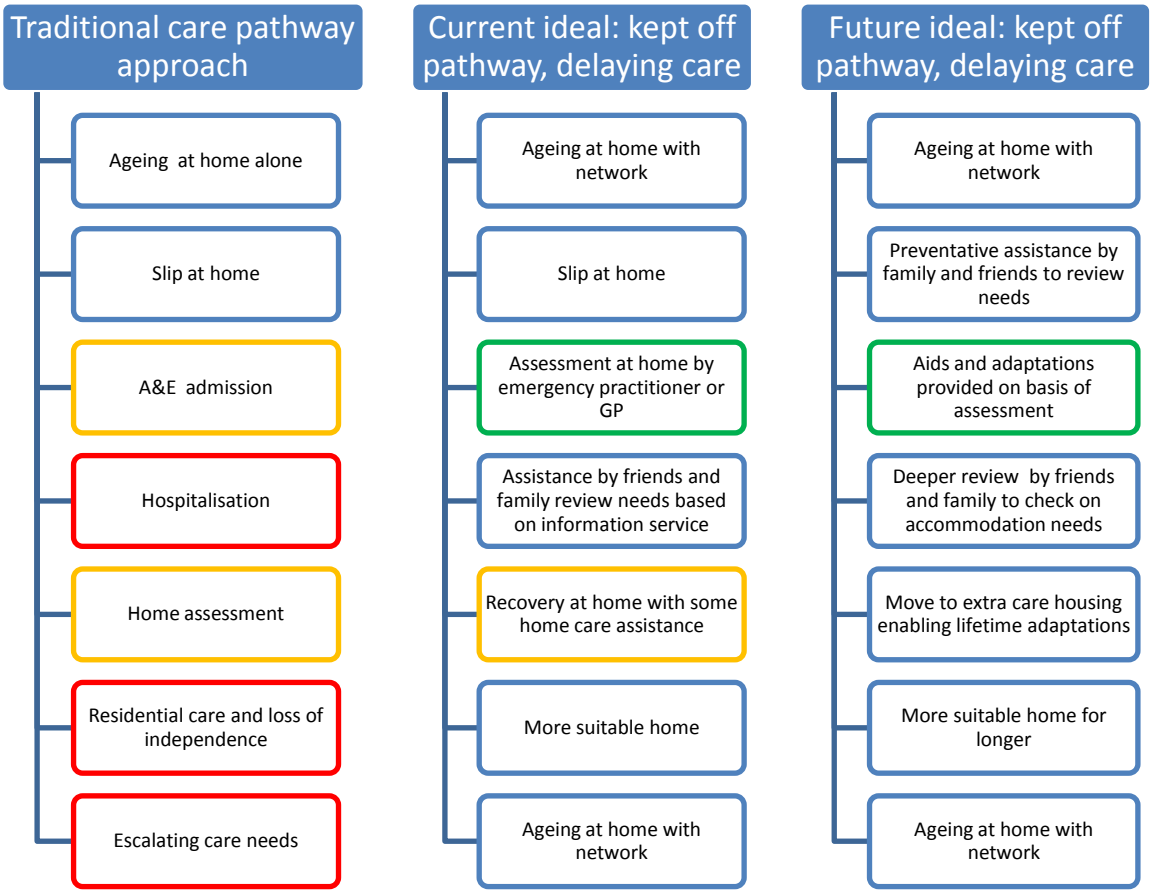


Figure 3: Differentiated approaches to behaviour change in relation to different services

We consider that at all levels we need to review attitudes and behaviours to assess what the comparative contribution should be by citizens and the state. In personal services with high levels of need and little community support, high levels of state intervention are still likely to be required. However, it is clear that in many other areas it may be possible to reduce the demand of citizens from the state. In universal services even quite small changes, such as using separate recycling bins or not dropping rubbish, can have comparatively large budget impacts. However the most significant savings are likely to be found in the high unit cost of personal services, such as care of the elderly, where there are repeated costs to the state once a person is on the 'care pathway'. The diagram below sets out a spectrum of care pathways for an older person, demonstrating how, through a changed approach with friends and family providing intensive support, the cost to public services can be reduced.



Key:
Red High public purse cost
Amber Medium public purse cost
Green Low public purse cost
Blue Change event or no public purse cost

Figure 4: From the traditional to the ideal pathway

We consider that simple incentivised behaviour change is likely to be easiest at the universal services level, such as encouraging recycling and stopping litter dropping, as there is less personal impact and less personal investment from the individual in their current behaviour. However, as we move up the spectrum to explore potential approaches to behaviour change for people who may need long term care we are moving into different territory and challenging some well-established attitudes and beliefs, which may well be shared by services providers, service usersare in terminal decline and nothing can be done to reverse that trajectory, that a minor injury or infection can only be treated in hospital, that hospital is a 'safe' place for an older person and that being at home is fraught with risk and danger.

Changing behaviours and expectations around something as intimate as who delivers personal care requires individuals and those close to them to make significant changes to their frame of reference. Changing attitudes here is likely to be a greater challenge – something that the change architecture set out in Nudge is not likely to achieve. This requires a different degree of self starting, reduced

dependency, a deeper understanding of community and empowerment of the vulnerable – on the part of service commissioners and providers as well as service users.

Behaviour change is needed in the short term to manage demand on services

We suggest that strategies to 'nudge' people by guiding and enabling them to choose desired behaviour should be focused on universal services; to involve a high number of residents and to make an immediate impact on the costs of delivery. Many local authorities are already taking this approach; for example by reducing the amount of waste going to landfill by encouraging people to recycle more (including incentive schemes); providing groups of volunteers with tools and equipment to do litter picking, and introducing schemes where residents are expected to deliver traditional council services for themselves and their neighbours, e.g. LB Sutton's approach of providing a bag of grit for each street and expecting residents to grit their own paths and roads during icy weather.

In the short term, personalisation approaches are already starting to have an effect on behaviours, attitudes and culture around the more personal services. In areas that have a high proportion of users on individual budgets we have seen a shift not only in the attitude of users who have been given the freedom to decide their own support packages, but also in carers who have been freed up to regain their role as friends and partners. New approaches including, co-production, recognising the untapped capacity of service users and peers as co-researchers, are starting to re-define the relationship between those who need support from the state and those who fund and/or provide that support. Individuals are no longer seen as passive recipients of a standard service, but people who exercise choice and control over how they are supported, and by whom. There is still some way to go in terms of changing attitudes of professionals, and 'professional' carers who all too often have low expectations of their clients. Professionals need to change their own attitudes so that they let go of their 'we know what's best for you' approach, to supporting, brokering and negotiating the support that best meets the desires of their client. At the same time we need to encourage the friends, family and neighbours who make up the communities in which individuals live to play their part in supporting them to live independent lives. This requires a big change in attitudes, both from the people who make up those networks in terms of taking on more responsibility for their neighbours, but also from the state, in recognising the special value of informal support and enabling these networks to act as more formal eyes and ears and to be empowered to refer and even potentially provide informal assessments of their neighbour's needs and capacities.

The behaviour change that public services are trying to effect with these approaches is to end the expectation that there will always be a service or solution provided by the state to an understanding that the individual and/or family needs to play an interactive role in that service; whether that role is in development, provision or commissioning. Success in encouraging this kind of behaviour may require residents to better understand what the 'deal' is, and what they are getting from their input. Otherwise residents are likely to respond by asking for a council tax rebate for doing the council's job. Although some authorities are considering incentive schemes to reward residents who get involved in delivering services, that has not yet proved a resounding success in terms of encouraging more residents to be involved. It is more important to address the fact that public services have not

yet communicated to people a good enough understanding of the potential costs (King's Fund 2013) if they do not contribute or if their behaviour drives costs up, for example, the cost of hospital admission following excessive drinking. However, this is not an easy conversation. We cannot assume that users of public services make rational choices or take into account the potential negative impact on others of their choices.

How do public services need to be different to support behaviour change?

As we have suggested above, achieving sustainable behaviour and attitude change is not just about introducing effective choice architecture and frameworks. Although this may be a starting point, achieving sustainable change is about a new relationship between the citizen and the state, and to achieve this the public sector itself needs to change fundamentally.

Changing behaviour demands a new way of engaging with residents – having conversations about what we as council and resident can do together, rather than the traditional 'what are your needs and what can we afford to provide you with' conversations. Public services need to develop an adult to adult, rather than an adult to child approach to every interaction with residents, to help people to build people's confidence in their own capacity to make the most of what they already have, or to access community based resources and networks.

The shift requires the public sector workforce to develop new skills and new ways of engaging with residents and users. It suggests a move towards a more generic workforce where anyone who has contact with a resident is able to support them to focus on what they can do or choose for themselves and reduce their dependency on the public sector. An example of this type of role might be the health trainer role, which provides one to one support for individuals in deprived areas to get them focused on their health and wellbeing and make constructive changes to their lifestyles. Essex County Council is focusing on reducing social isolation of older people through befriending. This involves both effective outreach and conversations with people at risk of isolation but the solutions, linking up like minded people and identifying appropriate and welcome social opportunities are simple and inexpensive.

However, we do not need to create specific new roles to support people to start to change their behaviours and attitudes. All front line staff, whether housing officers, meals on wheels deliverers or GP receptionists should be empowered to have conversations with residents about changing their behaviour. They should also be empowered to feedback to agencies and communities about issues in their neighbourhoods that may be preventing healthy lifestyles, such as broken lifts, lack of street lighting, poor transport links or anti-social behaviour which are preventing people going out. It may be about staff letting go of professional paradigms, for example 'you must wait for us to make a decision about what is best for you', which are enforced upon people and helping them to take the lead in creating solutions. This has been demonstrated clearly through the introduction of personal budgets, where the professionals are no longer the ones designing and delivering 'packages' of care. Professionals have had to take a more supportive, brokerage role, moving away from the traditional assumption that the professional knows best.

The Birmingham policy commission supports this view and suggests that there is a need to develop a new twenty first century public servant: 'public services continue to be designed around professional specialisms even though the silo institutions they created have long since ceased to be useful in achieving local results'. The report proposes that the new style public servant should fulfil a combination of roles, including:

- storyteller, communicating stories of how new worlds of local public support might be envisioned in the absence of existing blueprints;
- weaver, making creative use of existing resources to generate something new and useful for service users and citizens;
- architect, constructing coherent local systems of public support from the myriad of public, private, third sector and other resources; and
- navigator, guiding citizens and service users around the range of possibilities that might be available in a system of Local Public Support.

Change to the world of professionals has been rapid, particularly in the realm of social care, where we have moved from institutionalised care, to care in the community and then to personalisation and community support in under a generation. A recent research report by Unison found that two-thirds of staff in day care centres reported that there have been changes to the roles that staff perform; in particular that staff were expected to undertake generic rather than specialised roles and to spend more time working one-to-one with service users on support planning. This was leading to concerns that staff may have to work in areas where they had no experience or skills such as supporting elderly people rather than young people.

This supports the Policy Commission's proposal that these twenty-first century public servants need a new set of skills including interpersonal skills to facilitate the right conversations, empathy, synthesising and analytical skills, the ability to make judgements, be creative, and develop organising skills for group work and collaboration. As the Policy Commission report points out, there will need to be better, re-designed educational and training programmes for all public servants to help them understand their new roles and skills and address the existing skills gaps.

The proposed model of public services

The INLOGOV model of future public services provides a useful framework to draw together the above observations. It sets out how improved citizen inputs can lead to improved quality of services and thus improved outcomes for all.

	Optimal	**Sub optimal**
Increased individual co-production	• Individual action has impact • Better designed/tailored services that meet the needs of individuals • Reduced or no service needed from council,	• High dependency • Wasteful services that do not meet the needs of users and therefore resource has to be duplicated. • Static dependency on the

	Optimal	Sub optimal
	leading to reduced cost • Improved individual resilience and well being through increased control • Reduced demand longer term	state from individuals. • Reduced resilience and well being leading to future demand on services • Reduced control of own life • No impact on longer term demand
Increased community co-production	• Neighbourhood or street based activities and interventions support people, thus reducing need for public service provision • New social networks developed and sustained through working together, thus providing sustainable support structure • Services are designed to deliver outcomes in a way which works for that community – leading to reduced waste on ineffective services • Improved use of community assets	• High dependency from communities • Services that do not meet needs of communities and/or neighbourhoods leading to multi intervention approach • Lack of resilience amongst communities • Lack of social networks to support vulnerable people
Self-help and self-organising activities	• Community and choice based activities • Volunteering to assist others • Time-banking, skills bank, 'snippets of time' approaches • Improved use of community assets • Sustainable support from within the community leads to reduced demand from public services. • Potential to take on design and delivery of services • Resilient communities with sustainable networks	• High dependency • Lack of self- generated support and volunteering • Lack of resilience in community • Lack of support network for vulnerable people • Lack of community infrastructure, leading to lack of engagement and influence

There are significant implications arising from the model for local political leadership. In order for it to succeed, Councils and partners need to build stronger relationships (see Chapter 2) between themselves and their residents and support better relationships between individuals and

communities. There needs to be transparency around why the 'state' believes that attitudes and behaviour should change and what public services are doing to encourage this.

Elected members and public servants have a key role in terms of being accountable for the decisions about what are the' wanted' and 'unwanted' behaviours and the strategies taken to encourage the 'wanted' behaviours. This will be essential in building better relationships and local capacity in their areas, particularly in terms of encouraging co-production.

The Commission on the Future of Local Government suggests that elected members need to become civic entrepreneurs to enable and support the work of the people in their communities. This reflects the experience of INLOGOV's work with elected members, who are developing radically different relationships with the communities they are called upon to represent. At the heart of this debate is the question of 'who owns the services provided by and on behalf of the council?' The traditional model of the 'professional gift' of a wholesale council approach to service delivery is no longer one that the citizen is prepared to accept (or local government able to afford). The ownership of services is now within the community and this is creating a new, emergent role for the democratically elected representative. If the 'professional gift' of a one size fits all is no longer relevant then the services have to be seen as a 'democratic gift' to the community, developed through co-production, co-design and co-delivery of services.

Public servants need to understand their residents much more fully, to understand what motivates behaviour. This calls for local/neighbourhood approaches to services, and for officers to get closer to their residents; to understand issues that affect them and what drives behaviours and choices. They need to understand the story of the place, perhaps through intensive techniques such as ethnographic research.

As the model shows, there is no more radical area of delivery than that which leaves out traditional public service provision altogether. This can be through relatively formal voluntary sector organisations or neighbourhood networks, or very informal personal relationships between individuals. Here the traditional concept of a 'public service' is almost useless, but it is here that longer term resilience might be found.

Conclusion

It is our view that changing behaviour is a key first step to re-designing the contract between individual and state and thus optimising public service interventions and reducing demand. It is quite possible that in the short term, and in particular for universal services, a shift in behaviour may be enough to reduce demand. However, for personal services and other complex needs there needs to be more radical attitudinal change.

All three approaches outlined within the INLOGOV model will need to be combined to provide resilient options in the future. We should draw from them all as we engage in service re-design, if that remains an accurate term. During such work, services should be re-focused to assume that the recipient and their community are able to contribute to the solution in some way rather than simply receiving service delivery. What would happen if everyone was expected to contribute something, including time as well as money, to the range of services delivered within a community? This would

imply that far greater effort and resources should be put into supporting communities and people in those communities to develop their own resilience and social networks of support. The INLOGOV model suggests that changing attitudes within a whole network could have a positive impact on demand, on the focus and attendant costs of services and improve whole community outcomes

For this to happen, the public sector, its elected representatives and the professionals who work within it and lead it need to think and work differently and, perhaps most importantly, to change their own attitudes. They need to let go of professional paradigms, ditch old fashioned views about who knows best, and develop open, respectful and creative relationships with individuals and communities. If we get this right, the prize will be improved quality of services, the de-commissioning of services that don't deliver good outcomes or improvements, reduced demand, and properly resourced effective services. Better still, there is just a chance that the quality of communities will improve along with positive, richer outcomes for people within them.

References

Appleby, J. 2013, Spending on Health and Social Care Over the Next 50 Years: Why think long term? King's Fund, www.local.gov.uk

Commission on the Future of Local Government, July 2012. The Future of Local Government, A Civic Enterprise Approach, http://civicenterpriseuk.org/commission-final-report/

Commission on the 2020 Public Service, From Social Security to Social Productivity, the final report of the Commission on 2020 Public Service, www.2020publicservicestrust.org/publications/itemsasp?d=3242

LGA ,2013. Funding outlook for councils 2010/11 to 2019/20, Local Government Association , www.localgov.uk

Unison and Dr C Needham, 2012, What is Happening to Day Centre Services? Voices from frontline staff, HSMC University of Birmingham; www.birmingham.ac.uk/Documents/college-social-science/social-policy/HSMC/what-is-happening-to-day-centre-services-Unison-report/pdf

University of Birmingham Policy Commission in Association with Demos, 2011. When Tomorrow Comes, The Future of Local Public Services, summary report, page 9, www.birmingham.ac.uk/research/impact/policy-commissions/public-servces/commissionreport.aspx

Vokswagen, 2009. The fun theory; http://www.thefuntheory.com/

Woodfield, E, 2012, Interpreting and implementing new policy: Birmingham City Council's Experience of Nudge, INLOGOV University of Birmingham; http://www.birmingham.ac.uk/Documents/college-social-sciences/government-society/inlogov/discussion-papers/bc-chapter-solace.pdf

For further information please contact: c.mangan@bham.ac.uk or daniel.goodwin@local.gov.uk

UNIVERSITY OF BIRMINGHAM

Institute of Local Government Studies
University of Birmingham
Edgbaston, Birmingham B15 2TT

www.birmingham.ac.uk/inlogov