

# HMRC HTS Project – Summary of key findings of a research project exploring possible developments for the HTS App and Website

Professor Andy Lymer, Professor of Tax, Birmingham Business School

Director of CHASM Research Centre

[a.lymer@bham.ac.uk](mailto:a.lymer@bham.ac.uk)

&

Dr James Gregory, Senior Research Fellow, CHASM

[j.gregory@bham.ac.uk](mailto:j.gregory@bham.ac.uk)

# Centre on Household Assets and Savings Management (CHASM)



The Centre on Household Assets and Savings Management (CHASM) is a research centre based jointly in the School of Social Policy and Birmingham Business School. The aim of CHASM is to provide a focus for world-class research on financial inclusion, financial transfers and tax, financial capability and financial assets.

# Research – Supported Savings

Positive savings goals

Rewards sensitive to fund access needs

Employer linked savings schemes

Involvement of trusted partners  
like Local authorities





## Agree project aims

- To assist HMRC with its positioning and contextualising of its HTS Scheme app and related services
  - ....as related to *savings and savings habit forming* approaches, to -
    1. *explore related products and services* as part of a systematic review of closely related savings services
    2. *examine near a future likely fintech and related developments* in the field that may impact on this domain of interest
- Approach = desk based and interviews

# Key messages from research- 1

## Target/goal setting as motivation for saving growth


- Target visualisation very likely to motivate habit forming behaviour
- People more motivated to save more towards positive things than 'for a rainy day'
- BUT FOR THE HTS TARGET GROUP motivation for savings AGAINST stuff not just FOR stuff may be important too



## Key messages from research - 2

### Budgeting and role of general financial capability development help

- Can HTS app be linked to suitable 'white labelled' services to help budgeting/cost management in clients to help release funds for savings?
- Link to Single Finance Guidance Body/Money and Pensions Service tools as non-commercial provider?



## Key messages from research - 3

### Need to have clear successor account plans during next 12 – 18 months

- Habit forming behaviours gained in service could be lost
- Link to longer term savings such as pensions? (or via NEST's 'Side-car savings' type initiatives?)
- Possibility of 'white labelling' service to maintain trust links now established?

# Key messages from research - 4

## Nudges and personalisation possibilities

- Can we collect more information from users to aid bespoking of service?
- What is a suitable level of basic data capture?
- In-use nudges can provide positive messages/reduce instances of poor decisions making (e.g. impulse buy withdrawals)





## Key messages from research - 5

### Suitable 'friction' strategy for interactions going forward

- Frictionless activity may not be suitable goal for all – particularly if seeking to form savings habits which require conscious action to embed habit in user

- What we DIDN'T hear in this research
  - **Gamification** (particularly if of 'competition' style) is not likely to be important (beyond basic 'well done you met the target you set yourself' i.e. competing with yourself stuff)
  - Do we have the '**jam tomorrow**' aspect right? People very likely to be motivated better by instant reward for sign up than unknown bonus down the line

Key messages from research - 6

[www.bham.ac.uk/chasm](http://www.bham.ac.uk/chasm)  
[a.lymer@bham.ac.uk](mailto:a.lymer@bham.ac.uk)