Assessing the Effectiveness of Alternative Text Messages to Improve Collection of Delinquent Fines in the United Kingdom

Researchers:

Rory Gallagher

Donald Green

Laura Haynes

Peter John

David Torgerson

Sector(s): Political Economy and Governance

Location: United Kingdom

Sample: 5,450 individuals

Intervention type: Digital and mobile Nudges and reminders

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Partner organization(s): United Kingdom Cabinet Office, United Kingdom, Her Majesty's Courts and Tribunals Service (HMCTS)

Researchers used a randomized evaluation to test the effectiveness of mobile phone text messaging as a relatively inexpensive alternative method to encourage people to pay their outstanding fees. Text message reminders significantly increased average payment of fines, and were particularly effective when they addressed the recipient by name.

Policy issue

The collection of delinquent fines (e.g. unpaid taxes, traffic tickets, and fines for criminal charges) is a massive public administration challenge. In the UK, for instance, unpaid court fines amounted to more than £600 million (US$960 million) in 2011, and the process of recovering such fines—tracking down the debtors, calling them, and collecting fines in person—can be very costly. Text message reminders, which reach a large number of people at a low cost, offer a potentially cost-effective strategy to encourage payment of outstanding fines. Researchers, led by the UK Cabinet Office's Behavioral Insights Team, used a randomized evaluation to test the effectiveness of mobile phone text messaging to induce people to pay their outstanding fees, and compare the relative effectiveness of different messages.

Context of the evaluation

Each year, the UK Ministry of Justice imposes over one million court fines, with a value of over £350 million. Only half of these fines are collected within six months. Recovering the outstanding fines is very costly in terms of both staff time and other administrative costs. Government employees first follow up with debtors by phone. If that fails, the case is referred to a bailiff who must visit a debtor's home and in some cases seize property. Bailiffs are responsible for enforcing around 580,000 cases annually, but they are unable to settle a substantial proportion of cases, which then return to Her Majesty's Courts and Tribunals Service (HMCTS), the agency that administers the collection of fines in the UK, for further processing.

A person uses their smartphone.

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Details of the intervention

Researchers, led by the UK Cabinet Office's Behavioral Insights Team, used a randomized evaluation to test the effectiveness of sending text messages to encourage payment of outstanding fines. The evaluation focused on 5,450 debtors in three regions in the southeast of England, whose mobile phone numbers were held by HMTCS, and whose failure to pay fines had led to their cases being escalated to distress warrant status—the court had authorized a bailiff to recover the debt directly, often through the confiscation and sale of possessions.

Researchers rolled out the evaluation in two phases. Phase 1 examined the overall effectiveness of text messaging by comparing the average payment of debtors who received one of several alternative text messages to that of debtors who did not receive any text message. At the beginning of each week from January to early February 2012, researchers compiled a list of individuals whose cases had reached distress warrant status in the previous week and randomly assigned each individual to either the comparison group that received no text or one of the following four treatment groups:

1.**Standard**: a standard message reminding the recipients about their unpaid fines and warning them that failure to pay would result in a warrant. The text also instructed the recipients to call a payment hotline number.
2.**Personalized name**: the standard message personalized by mentioning the recipient's name.
3.**Personalized amount**: the standard message personalized by reminding the recipient of the total value of the outstanding fine.
4.**Personalized name and amount**: the standard message personalized by mentioning both the recipient's name and the amount the recipient owed.

In the week following the text message, researchers tracked payment of participants using HMCTS records. Recipients who failed to pay within seven days of receiving the text had their cases referred to a bailiff.

After Phase 1 results showed that sending text messages was more effective than no messaging, in Phase 2, researchers eliminated the comparison group in order to not waste participants and improve the efficiency of the evaluation. Participants were subsequently randomly assigned to one of the four alternative text messages.

Results and policy lessons

Overall, sending text messages significantly increased average payment of delinquent fines. On average across the alternative messaging content in Phase 1, sending a text message increased the amount paid in fines from £4.46 to £10.94, a 145 percent increase.

In Phase 2, researchers found that the personalized message that mentioned the recipient's name was the most effective among the four messages. The personal name message produced both the largest compliance rate and the highest average payment amount. Receiving the personal name message prompted the debtor to pay on average £5.20 more than receiving the standard message. The average payment among debtors who received the personal name message was £20.87, compared to £14.73 among those who received the standard message.

The authors estimate that over the course of a year, switching from sending no text to sending personalized text messages that address the debtor by name would hasten the collection of approximately £860,000 in outstanding fines and save other administrative costs associated with the processing of delinquent outstanding fines.

Haynes, Laura, Donald P. Green, Rory Gallagher, Peter John, and David J. Torgerson. 2013. "Collection of Delinquent Fines: An Adaptive Randomized Trial to Assess the Effectiveness of Alternative Text Messages." Journal of Policy Analysis and Management 32(4): 718-730.