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***Improving household finances data with joint
interviewing and a balance edit: Cognitive testing of a
“Benefit Unit Finance” module***

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Non-technical summary

This report presents findings and recommendations based on two rounds of cognitive testing of a 'Family Finances' questionnaire. We cognitively test 3 novel features of the questionnaire that deviate from current practise in the collection of household finances data: 1) data would be collected on each of income, spending and saving in a single questionnaire (rather than 1 or 2 of the three); 2) couples would be interviewed jointly, in addition to the standard practise of individual interviewing and 3) a balance edit was enforced in interview to improve reporting (that is, for each family income plus spending minus saving must equal zero in a given month).

The extent to which respondents were able to work their way through the questionnaire easily, and to balance their income and expenditure, varied widely across the sample. There tended to be more difficulties where at least one of the following factors applied: Wide variation in finances from month to month; respondents spending or receiving an unusually large sum of money in the previous month; where one member from a benefit unit was interviewed alone but needed to answer questions on behalf of their partner; where respondents received part or whole contributions towards some expenses; and where respondents had relatively little knowledge about their income or expenditure.

The researchers identified a number of issues with questions and recommended improvements to make them easier to answer for respondents.

- Reporting earned income – having to report an amount and period.
- Benefits and unearned income – specific difficulties with council tax and housing benefit.
- Expenditure – challenging and time-consuming, with some respondents wanting to report a 'typical' rather than the 'last' month. Some specific categories of expenditure were particularly difficult for some; rent and council tax, bills, and child costs.
- Income and expenditure checks – after answer the questions on income and expenditure, a summary screen was displayed. Respondents struggled to update the total amounts without reference to the detailed figures entered previously.
- Reconciliation screen – this allowed respondents to include any additional income or spending, reconcile any discrepancies and confirm what had happened to any additional money. Respondents struggled to understand this task.

After the first round of testing the script was revised in light of these findings. In the second round of testing the process was much improved, with respondents having a better understanding of the task. However, further changes are recommended to increase clarity.

Improving household finances data with joint interviewing and a balance edit: Cognitive testing of a “Benefit Unit Finance” module

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Abstract

ISER commissioned Kantar Public to conduct in-depth qualitative interviews with members of the public who completed a questionnaire on a laptop, tablet, or smartphone. The aim was to improve a set of questions which asked about household finances; income, expenditure, and their ability to balance the two. The first round of testing provided insights into difficulties with the questions, and the way the questionnaire was designed. Improvements were made to the script. In the second round of testing the process was much improved, with respondents having a better understanding of the task. However, further changes are recommended to increase clarity.

Keywords: qualitative research, household finances, income, expenditure, savings

JEL Classification: D13, D14

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Contents

1.	Executive summary	1
2.	Introduction and background	5
3.	Methodology	7
4.	General findings	11
5.	Background questions	17
6.	Earned income	19
7.	Benefits and unearned income	26
8.	Income summary	31
9.	Expenditure	33
10.	Income and expenditure checks	39
11.	Reconciliation	42

1. Executive summary

1.1 Introduction (Chapter 2)

This report presents findings and recommendations based on two rounds of cognitive interviews to test a 'Benefit Unit Finances' module. This new module aims to enable more accurate reporting of household finances. The testing sought to assess whether the new module helped people provide information on their finances with greater accuracy, and to balance their income and expenditure. It also aimed to identify any changes required to improve clarity, ease of reporting and accuracy of information provided.

1.2 Methodology (Chapter 3)

Two rounds of cognitive and usability testing were conducted, with 30 interviews achieved in total. The interviews were conducted between June and July 2017.

Interviews were split into the following three different sets of respondent types: single people (who represented their own benefit unit), couples where both people were present for the interview, and couples where only one person was present for the interview. Fieldwork was conducted across seven locations in England.

The interviews were conducted by members of Kantar Public's research team. Respondents were asked to complete the survey on their own device or one provided by Kantar Public. The researchers sat alongside respondents as they completed and used a mixture of mixture of techniques, tailoring these in each interview as appropriate. Researchers used a question and probe sheet to help guide them through the interview.

1.3 General findings (Chapter 4)

In many cases, respondents worked through the questionnaire without major issues and successfully balanced their income and expenditure. Difficulties were more likely to be experienced where finances varied from month-to-month, where the previous month had been untypical, where respondents received contributions towards some expenses, or where they had relatively little knowledge about their finances.

In interviews where only one partner was present, they sometimes struggled to provide information on their partner's finances. Consideration needs to be given to how to minimise non-response and maximise accuracy of reporting in these cases. Solutions may include stressing the importance of both partners participating, and noting that estimates are acceptable in cases where it is not possible to provide exact figures.

There were no major issues where both partners were interviewed together. They were comfortable discussing their finances and often worked well together to ensure information was entered as accurately as possible.

Interviews were conducted using laptops, tablets and smartphones. Respondents using all devices commented positively on the look and feel and usability of the survey. Some respondents, particularly those completing on smartphones, felt that there was too much information presented on screens at certain questions.

A number of respondents commented that question text was overly wordy in places. They felt there was a lot of information presented and that sometimes this caused confusion, rather than clarifying the task. Some respondents also found the tone of the questionnaire more 'conversational' than they would usually expect for an online task.

Respondents were sometimes unclear of what they were being asked to do, and parts of the questionnaire may benefit some additional instructions.

1.4 Background questions (Chapter 5)

A small number of questions were included at the start of the questionnaire to 'warm-up' respondents and to provide background information. These questions were generally clear and served as an effective warm-up in advance of the detailed questions on income and expenditure. In some cases, it was unclear which partner should complete these questions. We recommend either adding text to make this clear, or asking the questions of both partners in couple interviews.

1.5 Earned income (Chapter 6)

The earned income section was asked of each respondent. For couples, the section was asked of both partners. In cases where only one partner was present, they were asked to answer on behalf of their partner. In most cases, these questions were felt to be clear, and respondents could easily provide the information requested. There were some comments that the wording of questions could be improved, and we recommend some minor changes to improve clarity.

When providing their gross pay and take-home pay, respondents are required to enter an amount and the period to which this corresponds. In some cases, respondents did not spot that they needed to select a period. In other cases, they found it difficult to select the appropriate period due to the large number of periods included in the list. We recommend reducing the number of periods in the list, or reworking the order of periods, to simplify the respondent task and reduce the risk of errors.

In cases where respondents did not know or refused to provide their income, they were asked a 'non-response' version of the original questions. We recommend the 'non-response' questions are reworked, to make them better stand out from the original questions, and to stress the importance of providing an amount.

1.6 Benefits and unearned income (Chapter 7)

Respondents were asked about any unearned income they received. This covered a range of benefit payments, pensions, interest and dividends, alongside other sources of income.

This set of questions was asked once per couple, with respondents instructed to include income based on both partners where relevant. However, these instructions were not always felt to be clear and we recommend some minor wording changes to make the requirement clear.

There were particular issues with some benefits. This included council tax and housing benefit, where respondents were sometimes unsure what to enter. Other respondents said they received Child Tax Benefit but they were not always asked this, as the question is filtered based on previous responses.

1.7 Income summary (Chapter 8)

Once respondents have entered all of their income sources, they are presented with a summary screen based on the information they have provided. The summary screen converts all income sources to monthly net amounts. Respondents are asked to confirm if the total income amount is correct and, if not, can update the amounts previously entered (or add an additional income source) at this stage.

The income summary worked well. Respondents were clear what was being displayed, understood the conversion to monthly amounts, and were clear on what they were being asked to do. In most cases, they confirmed that the total income was correct.

1.8 Expenditure (Chapter 9)

Respondents are asked to record their expenditure in the last month across 13 categories. This is done on a single screen, with boxes for each category and a total box at the bottom, which automatically updates as amounts are entered.

Respondents found the expenditure screen to be one of the most challenging, and time-consuming, parts of the questionnaire. They also sometimes failed to spot the instruction to report expenditure based on the last

month, and some instead based their responses on a 'typical' month. Nevertheless, respondents mostly engaged with the task and spent some time working through each category to provide the information as accurately as possible. We found that the expenditure screen does a reasonable job of collecting challenging information and it is hard to see how the current process could be greatly improved.

There were, however, some issues relating to particular expenditure categories. This included:

- Rent and council tax: respondents were instructed to enter the full amount of rent and council tax paid, including any contributions on their behalf. Some respondents did not spot this requirement, and others were only aware of the amounts they paid directly.
- Bills: of all of the expenditure categories, providing spending on bills was most challenging for respondents. There are a number of different items to include here and it was very difficult to add everything together.
- Child costs: respondents were sometimes unclear on where they should enter spending on their children, as this could potentially fall under several categories.

There were other issues with the use of examples included under different categories, and the wording used in places. We recommend a number of changes to increase clarity and accuracy of reporting.

1.9 Income and expenditure checks (Chapter 10)

After respondents have entered their spending, and confirmed that this is correct, they are presented with their total income and expenditure together and asked to confirm whether this is accurate or whether anything needs to change.

The approach to checking these amounts changed between the two rounds of testing. At Round 1, respondents were presented with their income, expenditure and balance and asked to confirm if this was correct. If they said 'No' they were sent to a screen with boxes for income and expenditure and asked to update the amounts. We found that respondents struggled to do this in single boxes and would have found it easier to go back to review and update the more detailed information entered previously. As a result, for Round 2, the check question was updated to ask which amounts, if any, were wrong, and respondents were then sent back to the relevant screens to review and update amounts. We found that this approach worked well, and respondents were able to select which items needed to be updated, and revise as necessary.

The income and expenditure check was typically the point in the interview when respondents started to first question the information they had entered previously. In some cases, the income and expenditure amounts roughly matched but, in other cases, there was a large difference. Reasons for these differences reported by respondents included the last month not being 'typical', and a feeling that spending had been underestimated.

1.10 Expenditure (Chapter 11)

A reconciliation stage was included at the end of the questionnaire. This allowed respondents to include any additional income or spending, review and reconcile any differences between income and expenditure, and confirm that any additional money had remained in a current account, or been borrowed from other sources. The ultimate objective for the reconciliation stage is that any differences in income and expenditure would be resolved, so respondents would account for all money and end the interview with a 'zero' balance.

There were significant issues with the reconciliation process during the first round of testing. At this stage, the reconciliation task was covered within a single screen, with separate tables that respondents needed to complete for any extra money coming in and going out. Respondents felt there was too much information to take on board, and struggled to understand what they were being asked to do. A number of changes were made for Round 2, with the aim of breaking the task down and making it more manageable for respondents.

This essentially involved splitting the single screen used at Round 1 into four separate questions and applying filtering where appropriate.

Overall, the process was much improved at Round 2. Respondents had a better understanding of the task and, as a result, were more likely to reach or get close to a zero balance. However, further changes are recommended to increase clarity:

- The introductory wording was felt to be overly wordy and should be reduced.
- Respondents were still a little unsure of what they were required to do. We recommend adding instructions and reminder text to the reconciliation screens.
- There were particular issues in cases where respondents left their balance in a current account. Keeping money in a current account does not entirely fit with the other categories; the other three options are all 'active' (i.e. involving a decision/action), whereas keeping money in a current account is passive. We recommend wording changes to increase clarity.

2. Introduction and background

2.1 Background to the research

Understanding Society (the UK Household Longitudinal Study) is a major research study, run by the Institute for Social and Economic Research (ISER), designed to enhance understanding of life in the UK and how it is changing. The study, funded by the Economic and Social Research Council (ESRC), takes an initial sample of 40,000 households containing around 100,000 individuals and attempts to interview all household members annually.

Accurate measurement of household finances is a key element of the *Understanding Society* survey. Researchers have found on some surveys that there are discrepancies between reported income and spending; in particular, that some respondents report spending substantially more than they have incoming. In order to better understand these discrepancies, and to improve the collection of household finance data, ISER are conducting a programme of research with the ultimate aim of developing an improved survey instrument that produces more accurate reporting of finances.

Prior to this cognitive testing, the programme of work included two main stages:

- Inclusion of additional content on household finances at Wave 9 of the *Understanding Society* Innovation Panel (IP9), in 2016. This included an income summary screen, where respondents could review and update any income they had previously entered, and a draft experimental 'Benefit Unit Finances' module, which asked people to report their finances based on flows into and out of the household. This module was included at the end of the main IP9 interview and, where possible, was jointly completed by couples together. The module comprised a number of 'new' elements, including:
 - A household finance summary screen (where respondents could review and address any differences in money coming in versus money going out)
 - Experimental content to compare the effectiveness of reporting finances as gross versus net flows.
- A stage of semi-structured qualitative depth interviews, to inform the ongoing development of the survey questions. At this stage, 25 depth interviews were conducted, including 15 with individuals and 10 with couples. This research had the following objectives:
 - To understand how people conceptualise household finances – including key concepts such as 'the household', income, spending, debt and savings
 - To explore responses to the proposed approach (Financial Flows Model) for measuring household finances used in IP9
 - To generate suggestions for refinements, improvements or alternatives to the proposed approach

Following a review of findings from both of the above stages, ISER redesigned the Benefit Unit Finances module. This was done with the objective of better reflecting the ways people think about and can report on their finances, while still ensuring that key information is collected. This revised module was then tested across two stages of cognitive testing, which is the subject of this report.

2.2 Research objectives

The key objectives for the cognitive testing were as follows:

- To assess whether the changes made to the questionnaire resulted in an improvement, in terms of a) enabling respondents to provide the information required, and b) delivering more accurate information
- To assess whether respondents understand the concept of balance and to inform how the questionnaire could be refined to increase understanding
- To assess whether respondents can balance their income and expenditure and, if not, to highlight the main reasons for this
- To assess whether respondents can report their expenditure over the past month with accuracy, across a number of categories
- To test an updated approach to reconciling income and expenditure, revised following the qualitative research
- To assess whether respondents are able to update amounts where necessary as they work through the interview
- To understand any 'couple-specific' issues – for example, whether couples are comfortable reporting financial information together, and whether one person can provide information on behalf of their partner in cases where it is not possible to interview both together
- To test the usability of the questionnaire, to provide an assessment of whether respondents will be willing and able to complete the questions without a researcher present

2.3 Structure of the report

Following this introductory chapter, the report is structured as follows:

- Chapter 3 provides an overview of the research methodology and achieved sample
- Chapter 4 summarises some general findings from the cognitive testing
- Chapter 5 provides feedback on the background questions included at the start of the questionnaire
- Chapter 6 includes findings in relation to the questions on earned income sources
- Chapter 7 covers findings based on questions on unearned income sources
- Chapter 8 reports on the effectiveness of an income summary screen
- Chapter 9 covers findings in relation to reporting of expenditure
- Chapter 10 includes feedback on an income and expenditure check screen/process
- Chapter 11 reports on the effectiveness of the reconciliation process at the end of the questionnaire

Throughout the report, we provide recommendations for changes to content based on issues to emerge in the testing. We also outline changes made between the two rounds of testing and report on the effectiveness of these revisions.

3. Methodology

3.1 Overview of method

The research was conducted through two rounds of cognitive interviewing (Round 1 and Round 2). Round 2 included three usability interviews, details for which are outlined in section 3.4.

In total, 27 face-to-face cognitive interviews and three usability interviews were conducted across June and July 2017, with a total of 41 respondents. A gap was built into the schedule between Round 1 and Round 2 fieldwork to allow for findings from Round 1 testing to be incorporated to the test module through script updates prior to Round 2 testing.

3.2 Sample

Interviews were split into the following three different sets of respondent types, in order to test each version of the module:

- Single people (who represented their own benefit unit)
- Couples where both people were present for the interview
- Couples where only one person was present for the interview

In addition to quotas on these respondent types, respondents were recruited to fit a quota based on gender, age and working status. Monitoring quotas were also included based on social grade, ethnicity, and device used to complete the questionnaire, to ensure a mix of respondents across these groups.

An overview of the achieved sample is included in Table 3.1 below¹.

¹ Some of the quota targets were relaxed during the recruitment phase in response to issues with recruiting in some areas.

Table 3.1 – Breakdown of respondents by quotas

	Target	Total achieved	Round 1 achieved	Round 2 achieved
Respondent type				
Couple – paired interview	14	11	6	5
Couple – completed by one partner	10	5	1	4
Single person	6	14	8	6
Age				
18-34	10	10	5	5
35-54	10	10	5	5
55+	10	10	5	5
Gender²				
Male	15	16	9	7
Female	15	25	12	13
Working status³				
Employed	8+	12	6	6
Self-employed	4+	5	4	1
Not working	8+	19	11	8

Interviewing took place in the following locations:

- Kantar Public's Gray's Inn Road Central London office (3 usability interviews)
- South London (7 interviews)
- Maidstone (6 interviews)
- Birmingham (3 interviews)
- St. Albans (3 interviews)
- Hertford (3 interviews)
- Reading (5 interviews)

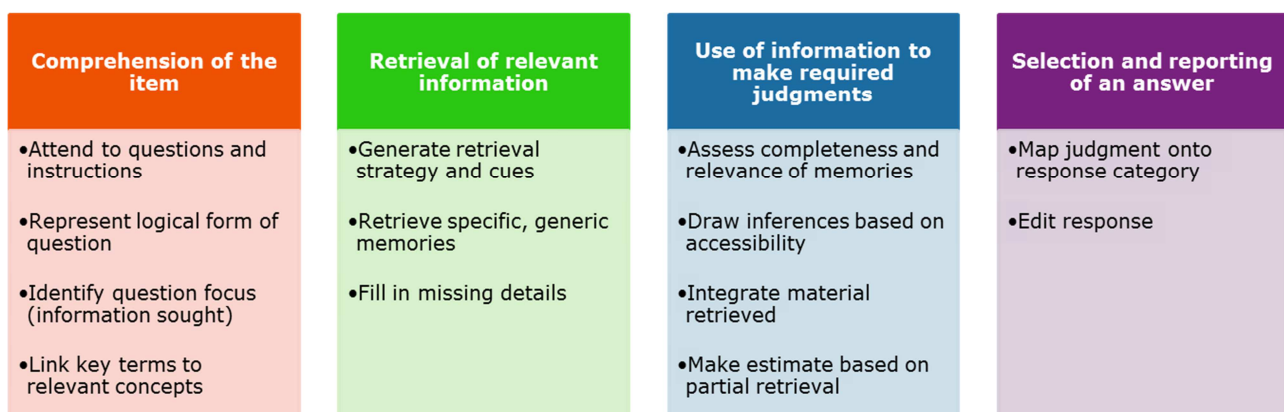
² Achieved figures include gender of both partners for couple interviews.

³ Achieved figures for working status based on both partners for couple interviews.

3.3 Approach to cognitive testing

Cognitive interviewing is a versatile technique that allows the critical evaluation of the transfer of information. It is commonly used in survey research to explore how participants understand, mentally process and respond to the presented material and aims to identify where problems are experienced within this process. Ultimately, the aim of the question designer is that material is interpreted universally in the manner that it was intended. Cognitive testing may uncover that individuals presented with the same question interpret it in alternative ways that retrospectively appears entirely reasonable. Detection of such problems allows modification of the survey instruments to enhance clarity, hopefully leading to a reduction in cognitive processing demands to allow thoughtful consideration of questions and ultimately more accurate answers.

Our approach to cognitive testing is underpinned by the theoretical principles put forward by Willis (2005)⁴. He states that the field of questionnaire design, development, research and evaluation has come to be dominated by the 'CASM approach' (Cognitive Aspects of Survey Methodology), pioneered by Tourangeau and colleagues in the early 1980s. The principle behind CASM is that when answering survey questions respondents must employ a series of complex cognitive processes, or steps of processing information, as opposed to a more straightforward question-answer sequence. Tourangeau proposed the following four-stage cognitive model in 1984 to clearly depict this process:



The method we use for cognitive testing, as outlined in the next section, draws heavily on the CASM approach. Thus, probes are designed to identify whether issues are present at any of the four stages of the cognitive response process, as depicted above, and our analysis framework is structured around this process.

3.3.1 Our method

We conducted two rounds of testing (Rounds 1 and 2) with members of the public using cognitive interviewing methods to explore the techniques and strategies they employed when answering the newly adapted Benefit Unit Module.

Cognitive interviewing techniques

The interviews were conducted by members of Kantar Public's research team. Respondents were asked to complete the survey on their own device or one provided by Kantar Public. The researchers sat alongside respondents as they completed and used a mixture of mixture of techniques, tailoring these in each interview as appropriate. Techniques included:

- Observing respondents as they completed, to pick up both verbal and non-verbal feedback that pointed to any confusion or uncertainty

⁴ Willis G. (2005), 'Cognitive Interviewing. A Tool for Improving Questionnaire Design' Sage.

- Asking respondents to ‘think aloud’ as they completed the questions; this technique is particularly useful for interviews conducted by self-completion, as is the case here
- Using a mix of pre-prepared probes (see below) and spontaneous probes, in relation to issues that emerge in interviews
- Asking respondents to paraphrase, to provide a deeper understanding of how they interpreted questions and key terms

Materials, data and analysis

Researchers used a question and probe sheet, agreed with ISER, to help guide them through the interview. Interviews were digitally recorded to allow the interviewer the freedom to react to respondents’ answers and non-verbal cues without trying to juggle this with lengthy note taking.

Data from the digital recordings were entered into a bespoke analytic framework. This framework was designed to outline the issues under consideration and the cognitive concerns (answer strategies, understanding of particular terms and concepts) and facilitated thematic analyses across and within individual cases. Following completion of each round of testing the research team met for an internal analysis session to review the findings and agree recommendations for the next iteration.

3.4 Usability testing

The testing of the Benefit Unit Module was conducted using a new version of the Kantar survey template for *Understanding Society*. The new survey template has been used on Wave 10 of the *Understanding Society* Innovation Panel, and is currently being tested and optimised, through usability testing, prior to being used on Wave 10 of *Understanding Society* survey from 2018. Some issues around usability of the Benefit Unit Module were identified during Round 1 of this research; the issues largely revolved around use of answer lists and the various monetary screens used in the module to capture income and expenditure items. There were also a number of cases where respondents asked researchers for advice or assistance as they completed the questions. The usability interviews at Round 2 therefore sought to help understand whether respondents could get through the survey on their own, without any major issues.

Based on the identification of these issues, Round 2 of the testing included three usability interviews in Kantar Public’s London office, using Morae observation software⁵. The software was set up on a laptop for users to self-complete while researchers observed the interviews in another room. The self-completion elements of these interviews were recorded and observed, and interviewers then conducted a short interview with respondents after they had completed the survey.

Two of the Morae usability interviews were with couples where both people were present, and one was with a couple where one person was present. Findings from the usability testing are included throughout this report.

⁵ <https://www.techsmith.com/morae-features.html>

4. General findings

4.1 Summary of outcomes

The extent to which respondents were able to work their way through the questionnaire easily, and to balance their income and expenditure, varied widely across the sample. There tended to be more difficulties where at least one of the following factors applied:

- Wide variation in finances from month to month – for example, people with irregular income from work
- Respondents had spent or received an unusually large sum of money in the previous month – for example, paying for a holiday
- One member from a benefit unit was interviewed alone but needed to answer questions on behalf of their partner
- Respondents received part or whole contributions towards some expenses, most notably housing benefit or council tax
- Respondents had relatively little knowledge about their income or expenditure

It should, however, be stressed that each of the above factors applied to a minority of the interviews conducted. In other interviews, respondents worked their way through the questions without too many difficulties, and successfully balanced their income and expenditure either before or, more typically, after the reconciliation screens. Overall, there were fewer major issues found in the interviews conducted at Round 2. In particular, the changes made to the reconciliation screens between the two rounds had a positive impact, with respondents finding the updated approach – where a single screen was divided into a number of separate questions – clearer and more intuitive (see Chapter 11 for further information).

In the sections below, and throughout the remainder of the report, we provide more detailed findings on specific issues and sections within the questionnaire.

4.2 Couple-specific issues

The sample included three different sets of respondent types:

- Single people (who represented their own benefit unit)
- Couples where both people were present for the interview
- Couples where only one person was present for the interview

It was important to include the last group as this will reflect the reality for a 'live' survey. That is, there will be cases where only one member from a benefit unit is able to take part – due to their partner being unavailable or unwilling to take part – and therefore need to answer questions on their partner's behalf.

There were typically more issues for interviews conducted with only one member of the benefit unit present. In these interviews, the person interviewed was asked to report their partner's income from paid work, as well as any benefits or unearned income they may have received, and their expenditure. In some interviews, this was not a major issue; in these cases, the couples tended to manage their finances closely together and one person could answer fairly easily on behalf of the other. However, in other cases, respondents had little idea of their partner's income or expenditure. This could lead to missing information and difficulties later in the interview when it came to balancing income and expenditure. For example, in some interviews, respondents answered "Don't know" when asked for their partner's income from paid work but did include at least most of their spending (partly as much of this was covered jointly). In such cases, the expenditure covered both people but the income was only based on one person, and there were subsequent difficulties with balancing amounts later in the interview. It should be stressed that this particular issue – the exclusion of one partner's income – only occurred in a minority of these interviews. For most interviews where only one

partner was present, they were able to provide an income amount for their partner, albeit with less confidence of its accuracy compared with their own income.

RECOMMENDATIONS:

- Consider whether it is worthwhile to attempt an interview where only one member of the benefit unit is present. It is likely that such interviews will result in more errors and less reliable data. An alternative may be to only allow people to proceed with interviews when both partners are present. However, excluding households based on the circumstances in which they can complete the survey will make the results less representative.
- It is important that where people do not know accurate information for their partner (e.g. their exact income) they still provide an estimate. The wording for the 'non-response' income questions should be updated to reflect this. We provide further detail on this recommendation in Chapter 6.

A specific issue was identified in the unearned income section, where the following instruction was only included for interviews where both partners were participating:

"We would like you to try and complete this section of the questionnaire together, thinking about both of your incomes".

Where only one person from the couple was present, this text did not appear. This meant that in some cases these respondents only provided benefits and other income sources that applied personally to them, and not those that were paid to their partner. Since we did clearly instruct respondents to include expenditure on behalf of both them and their partner, this sometimes resulted in difficulties in balancing income and expenditure later in the interview.

RECOMMENDATIONS:

Ensure the introductory text prior to the start of the benefits module instructs respondents to include their partner's income in all cases where there is more than one person in the benefit unit.

There were no major issues where both partners were interviewed together. They were comfortable discussing their finances and often worked well together to ensure information was entered as accurately as possible, and that nothing was missed.

RECOMMENDATIONS:

Based on our testing, the approach of getting both partners to answer the questions together worked well and we do not see any issues in instructing joint completion of questions for a future live survey.

4.3 Device-specific issues

Interviews were conducted using laptops, tablets and smartphones. Respondents using all devices commented positively on the look and feel and usability of the survey. There were however a few specific points that should be considered:

- There is a limit to how much information can reasonably be included on the screen for those using smaller devices (especially smartphones). At Round 1 there were particular issues with the reconciliation table, which respondents feeling there was lots of information on a small screen to comprehend and navigate.

Figure 4.1: Round 1 reconciliation screen on smartphone (top and bottom parts of screen)

pv.ktrmr.com

It looks as if you have got £300 more **coming in** than you have **going out**.
Apart from the income and spending you have told us, have you received or used money in any of these ways in the last month?

Where did this extra money come from?

Withdrawn from savings/investments	Please enter amount in £
Borrow more money	Please enter amount in £
Other money coming in	Please enter amount in £

Sum 0.00

Where did this extra money go?

Money put into savings/investments	Please enter amount in £
Paid off debts/loans	Please enter amount in £
Other money going out	Please enter amount in £
Unspent money kept in current account	Please enter amount in £
Sum	0.00

- We need to consider how to best display response lists across different devices. At Round 1, response lists were displayed in a single vertical column for mobile devices, and in multiple columns for laptops. There were some issues with the latter, particularly for lists where there was a natural order (e.g. highest educational qualification); for these lists, respondents were sometimes confused as to the order they should read the list. There were also cases where the 'None of these' code was harder to spot. At Round 2, we reverted all lists to a one column format, across all devices. This also presented issues, with respondents commenting that they needed to scroll a lot to reach their response.

Figure 4.2: Multiple column list format (used at Round 1)

Which is the **highest** educational or school qualification you have obtained?

University Higher Degree (e.g. MSc, PhD)	First degree level qualification including foundation degrees, graduate membership of a professional Institute, PGCE	Diploma in higher education
Teaching qualification (excluding PGCE)	Nursing or other medical qualification not yet mentioned	A Level
Advanced Higher / Scottish Baccalaureate	Welsh Baccalaureate	International Baccalaureate
AS Level	Higher Grade	Certificate of sixth year studies
GCSE/O Level	CSE	Credit Standard Grade / Ordinary (O) Grade (National 5 / Intermediate 2)
General Standard Grade (National 4 / Intermediate 1)	Foundation Standard Grade (National 3 / Access 3)	Other school (inc. school leaving exam certificate or matriculation)
None of the above		
Don't know		

Figure 4.3: Single column list format (used at Round 2)

Which is the **highest** educational or school qualification you have obtained?

University Higher Degree (e.g. MSc, PhD)

First degree level qualification including foundation degrees, graduate membership of a professional Institute, PGCE

Diploma in higher education

Teaching qualification (excluding PGCE)

Nursing or other medical qualification not yet mentioned

A Level

Advanced Higher / Scottish Baccalaureate

Welsh Baccalaureate

International Baccalaureate

AS Level

- There appeared to be some iPad specific issues which meant that numeric keypads did not always come up when they should

RECOMMENDATIONS:

- Avoid presenting respondents with lots of information on the same screen. It is better to break down into separate screens, particularly given the growing number of people completing surveys by smartphone.
- Overall, we recommend presenting response lists in one column across all devices. This results in consistent presentation across the sample and is more logical for lists that have a natural order. We recommend that response lists are displayed in one column but with the option to revert to multiple columns where appropriate (for example, very long lists where there is no natural order and where respondents may become frustrated by excessive scrolling).
- Further testing should be conducted across different devices, especially iPads based on issues experienced.

4.4 Clarity and brevity of wording

A number of respondents commented that question text was overly wordy in places. They felt there was a lot of information presented and that sometimes this caused confusion, rather than clarifying the task. Some respondents also found the tone of the questionnaire more 'conversational' than they would usually expect for an online task (e.g. 'In this section we're going to ask you about...', 'Can we just check...').

RECOMMENDATIONS:

- We include recommended wording changes for specific questions throughout the report. However, we think that the overall questionnaire would benefit from a review to make the wording more concise or succinct (without removing important details).

4.5 Instructions for respondents

Respondents were sometimes unclear of what they were being asked to do, and may benefit from some additional instruction. The main issues to emerge were as follows:

- At text/information screens, some respondents were not always aware what they needed to do – they were looking for a question to answer, and were unaware that they should move on once they had read the text.
- Respondents were sometimes unclear that they needed to click in / touch in response boxes in order to enter a numeric response (e.g. income). In some cases, they started typing before clicking in / touching in these boxes and were confused as to why their response was not appearing.
- There were particular issues at screens that required respondents to enter both an amount and a time period (e.g. their income and what period this relates to). Additional text was added after Round 1 to make this clearer but there were still some issues at Round 2 (albeit on a lesser scale).
- Respondents are required to enter a response in all numeric text boxes included in the survey. For example, at the expenditure screen, they are required to enter a '0' for any items they have not spent anything on in the last month. This is not always clear to respondents and they often left these boxes blank (prompting an error message when they tried to move on).
- Respondents sometimes entered numeric responses in formats that were not accepted by the script. This included: entering pound signs; entering amounts to two decimal places; and including commas/ separators in numbers (e.g. 1,000).

- Some of the error text that appeared was not clear in explaining to respondents a) what the issues are, and b) what they need to do to resolve them.

RECOMMENDATION:

- Add instructions to text/information screens to inform respondents how to move on once they have read the text.
- An instruction should be added to click / touch in text boxes to enter numeric responses. It may only be necessary to add this at the initial screens, rather than throughout the survey.
- A further review of screens that require respondents to enter an amount and period should be conducted, to see if anything more can be done to make this requirement clearer.
- Instructions should be added to enter '0' for any items that do not apply.
- Instructions should be added to instruct respondents of the format they should enter numbers/amounts in.
- A review of all error messages should be carried out to make sure they are clear and 'respondent-friendly'.

5. Background questions

5.1 Questions included in this section

A small number of questions were included at the start of the questionnaire to ‘warm-up’ respondents and to provide background information. This covered:

- Highest qualification
- Current economic activity
- Method of budgeting
- Frequency of checking bank balance
- Method of checking bank balance
- Organisation of joint finances

Probing on the background questions in this section was kept to a minimum unless specific issues arose during interviews.

5.2 Changes made between rounds

No changes were made to the questions in this section between Round 1 and Round 2 of testing.

5.3 Issues and recommendations

The background questions were only asked once, including in cases where both partners were interviewed together. This caused some confusion in couple interviews, as the respondents were unclear which person should answer the questions. An instruction is included at the top of these screens (see Figure 5.1, below) but this assumed an interviewer-administered approach and it was also unclear to respondents how we determined who should answer these questions.

Figure 5.1: Instruction text used to denote who should answer background questions (Round 2)

INTERVIEWER: Ask this question to George

Which is the **highest** educational or school qualification you have obtained?

University Higher Degree (e.g. MSc, PhD)

First degree level qualification including foundation degrees, graduate membership of a professional Institute, PGCE

Diploma in higher education

Teaching qualification (excluding PGCE)

Nursing or other medical qualification not yet mentioned

A Level

Advanced Higher / Scottish Baccalaureate

Welsh Baccalaureate

International Baccalaureate

AS Level

RECOMMENDATIONS:

- This instruction would need to change to make it more appropriate for self-completion modes. There are two options; the first option would be to replace the current instruction with a clearer signposting of whom the question is aimed at, for example by adding the wording 'This question is for [person 1]' to the start of the question wording. A second option would be to add a loop to the script to ask the questions to each person in the couple, in turn.

Another issue arose around the response options at the questions that asked people how they budgeted. One respondent selected the code 'On a computer document or spreadsheet (e.g. using Microsoft Excel)' but commented that this should include documents on mobile devices as spreadsheets such as Microsoft Excel are available as mobile applications. Another respondent selected the same code and commented that they use Google Drive.

RECOMMENDATIONS:

- Update code 2 at FINBUD to 'Using a document or spreadsheet (e.g. Microsoft Excel) on a computer or mobile device'

During the testing, we found that the question wording around joint finances (FINMAN) to be slightly ambiguous as it refers to 'you' (... 'the way you organise your finances'). In addition, the preamble sentence ('People organise their finances in different ways') adds unnecessary length to the question and could be removed.

RECOMMENDATIONS:

- To improve clarity to respondents, we would recommend updating the wording as follows:
Which of these comes closest to the way [IF BOTH PARTNERS PRESENT: the two of you / IF ONLY ONE PARTNER PRESENT: you and your partner] organise your finances?

6. Earned income

6.1 Questions included in this section

The earned income section was asked of each respondent. For couples, the section was asked of both partners; in cases where only one partner was present, they were asked to answer on behalf of their partner.

The questions included in this section were:

- Whether done paid work in the last month
- Whether currently employed or self-employed
- Number of hours worked in a normal week
- If employed:
 - Gross pay at last payment and period this related to
 - Take home pay at last payment and period this related to
- If self-employed
 - Take home pay in last month
- Whether have a second job – and if yes:
 - Whether employed or self-employed
 - Gross pay in last month
 - Take home pay in last month

Where respondents could not provide their gross or take home pay, they were asked a follow-up question to re-ask for this information. A number of checks were also included in this section of the questionnaire to help ensure information provided was consistent and logical.

6.2 Changes made between rounds

Two small changes were made to this section between Round 1 and Round 2.

Firstly, at Round 1 some respondents struggled to realise they needed to enter a period as well as an amount for the income questions. Based on this finding, the following wording was added at Round 2 to all questions where respondents were required to enter both an amount and a period:

Please enter the amount first and then click the 'Please select' option to enter the period this relates to

Secondly, the word 'Period' was added above the 'Please select period' drop down list for the 'Pay period' question, in order to better signpost this to respondents.


The following screenshot shows how the screen appears at Round 2.

Figure 6.1: Gross pay value and period question display on laptop (used at Round 2)

George

The last time you were paid, what was your gross pay - that is including any overtime, bonuses, commission, tips or tax refund but before any deductions for tax, National Insurance or pension contributions, student loan repayments, union dues and so on? Please provide amount to the nearest pound, check your payslip if possible.

Please enter the amount first and then click the 'Please select period' option to enter the period this relates to.



Amount in £

[Don't know](#)

[Refused](#)

Period

Please select period... ▼

The additional text provided by these changes did help to better signpost respondents at Round 2 and there were fewer cases of respondents being unsure of how to select the period (or not noticing this drop down box altogether). As the previous screen shot shows, however, the period drop down list was partially cut off at the bottom of the screen in desktop/laptop mode, which required respondents who were interviewed via laptop to scroll down to see the full list.

Further details on issues with selecting periods are outlined in section 6.3.4.

6.3 Issues and recommendations

This section outlines issues that arose with the 'Earned Income' questions during the two rounds of testing, and includes recommendations for how to address them.

6.3.1 General issues

Some general issues arose during the testing. Firstly, a number of respondents commented that the term 'the month ending today' is unusual and took some time to grasp.

"The question is put together a bit strangely, I had to read it twice, it would be easier if it was 'Have you been working in the last month as any of these'?"

Female, Maidstone, Round 2

Secondly, there was confusion among a small number of respondents who did not have set weekly hours on how to answer the question on hours worked per week, particularly in reference to the phrase 'normal week' used in the question wording. One respondent commented that she is a zero hours contractor and her hours vary week by week. She did not know how to respond to the question and did not notice the 'help' icon, which contains the additional help text: 'If your hours vary or the work is intermittent, please estimate the weekly average over the past few months'. The respondent answered based on an average with no

problems once the interviewer signposted this during the interview. Another respondent said a 'normal week' is difficult to judge and entered 60 as had been working more hours than normal over the last few weeks; this respondent also did not click on the help function which suggests that there could be a benefit to adding this text to the main question display.

RECOMMENDATIONS:

- We recommend replacing '- that is since last month ending today -' with 'In the **last month** (that is since [DATE ONE MONTH AGO])'. The latter was used in the expenditure screen in Round 2 (see chapter 9) and was found to work better for respondents
- Consider adding the help text around number of hours worked in a week to the on screen question text

6.3.2 Gross pay

The gross pay question caused confusion to some respondents. The length of the question text was off-putting to some. Some respondents commented that it was overly wordy and others conveyed that it was a lot to take in (for example one respondent took a deep breath half way through reading the text and another took a long time deliberating).

"Whoa, what...that's a lot and you know you can break up a sentence. Basically you're just saying 'what was your gross pay, not your net' and you can put the rest in another sentence."

Female, South London, Round 2

Some respondents were confused with the concept of 'gross pay'. They seemed unfamiliar with the term, and provided their last take home pay or annual salary rather than their last gross pay amount. A few respondents entered their 'typical' monthly gross pay rather than their last payment amount if they did not have the last amount memorised or readily available to check.

RECOMMENDATION:

- We recommend altering the question to the following, as it might help to better focus respondents:

'The last time you were paid, what was your total (gross) pay before any deductions?

This is **before** any deductions for tax, National Insurance or pension contributions, student loan repayments, union dues and so on.

Please include any overtime, bonuses, commission, tips or tax refunds.

Please try to provide as accurate a figure as possible, and refer to your payslip if necessary.'

6.3.3 Take home pay

Uncertainty at the gross pay question had an impact on responses at the take home pay question, which follows gross pay. One respondent gave their take home pay as higher than their gross pay, while another added a bonus payment paid in the last month to the figure given for take home pay, but did not include it at gross pay. Take home pay was generally found to be easier to answer as some respondents commented that this is the figure that they receive in their bank account, so is more meaningful to them.

Payment of expenses came up and caused uncertainty for two respondents. One respondent asked whether they should include expenses in take home pay, and other asked whether they should include expenses they have paid out for travel for this month (and so remove from take home pay), but will be reimbursed with next month. Adding clarity over whether to include or exclude expenses in the question wording would help to reduce this uncertainty.

The phrase 'last time' in the question wording 'And what was your take home pay last time...' was slightly confusing to some respondents. One person queried if this meant their pay 'last month'.

RECOMMENDATION:

- Rephrase the 'take home pay' question wording to 'And what was your take home pay last time you were paid...' to help improve clarity to respondents.
- Consider adding text to instruct respondents whether to include or exclude expense payments/reimbursements from their last take home pay.

6.3.4 Selecting periods

The period drop down list was generally easy to use for respondents and was better signposted at Round 2; however, some issues did still arise at Round 2. A small number of respondents in Round 2 tried to move onto the next screen without selecting a period, which suggests that the display of the pay/period pages requires further improvement. The number of options in the 'period' drop down list also muddled the response process for some respondents. A few respondents selected 'Four weeks' when voicing over that they were clearly thinking of the last calendar month⁶. Those respondents did not initially notice 'Calendar month', which seemed to be caused by ordering and display effect. 'Four weeks' appears above 'Calendar Month' in the drop down list and the default setting in both desktop/laptop and mobile device mode showed the list only up to 'Four weeks' when clicking in the drop down box before needing to scroll down to see the rest of the list. Figure 6.2 shows the display in desktop/laptop and mobile formats.

⁶ There was also evidence of this in the experimental 'Benefit Unit Finances' module included at Wave 9 of the *Understanding Society* Innovation Panel.

Figure 6.2: 'Period' drop down box displays in desktop/laptop and mobile device modes

Desktop/laptop mode (display after clicking on 'Please select period')

Amount in £
3000

Don't know

Refused

Period

Please select period

Per hour

One week

Two weeks

Three weeks

Four weeks

Display after scrolling down the drop down list

Amount in £
3000

Don't know

Refused

Period

Four weeks

Calendar month

Two calendar months

Eight times a year

Nine times a year

Ten times a year

Three months/13 weeks

Mobile device mode (Android phone) (display after clicking on 'Please select period')

Amount in £
3000

Don't know

Refused

Period

Please select period

Per hour

One week

Two weeks

Three weeks

Four weeks

Display after scrolling down the drop down list

Amount in £
3000

Don't know

Refused

Period

Calendar month

Two calendar months

Eight times a year

Nine times a year

Ten times a year

Three months/13 weeks

There are currently 15 time period codes in the drop down list. Very few of those were selected during the cognitive testing, with 'Calendar month', 'One week', and 'Two weeks' the only codes selected. The response list for time period also includes 'Don't know' but this is not auto-selected if 'Don't know' is selected for the pay amount, which caused some confusion.

Given the issues experienced during testing, we recommend the following:

RECOMMENDATIONS:

- Analyse the existing Understanding Society data for time period questions and consider simplifying the list by removing less frequently selected and unusual codes. 'Eight times a year', 'Nine times a year', 'Ten times a year', and 'Less than one a week' could all potentially be removed based on evidence from the testing (lack of consideration/ applicability of these options amongst respondents)
- Consider reordering the list to include the most commonly selected periods at the top; in particular it is important that 'Calendar month' appears before 'Four weeks'
- Attempt to remove the requirement to select a code for 'pay period' if 'Don't know' or 'Refused' is selected for the pay amount.

6.3.5 Self-employment

Five respondents across the two rounds of testing stated that they were self-employed and so answered the self-employment version of the take home pay question. Some of these respondents found it difficult to answer this question, stating that the amount of income or jobs they do varies from month to month and struggled to focus on the last month, or remember how much work they did in that period.

Two respondents selected 'Don't know' at the question so were prompted with the non-response follow-up. This caused confusion to one respondent, who initially commented upon reading the question that it was the same question as the previous screen, before then noticing the additional text asking to provide an answer (which he did).

Similar to the employment question, some respondents who answered the self-employment question felt the question was 'wordy' and took time to digest.

6.3.6 Second jobs

The second jobs questions are not tailored for self-employed people with a second self-employed job. If 'self-employed' is selected at the second job question, self-employed (first job) respondents get the same questions as those in who are employed (i.e. are asked for both their gross and take home pay). This differs from the format for first jobs, where those in self-employment are only asked about take home pay in the past month.

RECOMMENDATIONS:

- To be consistent for self-employed first jobs, tailor the second job questions for self-employed respondents so that self-employed people with a second job are only asked their take home pay for their second job

6.3.7 Non-response questions and checks

As mentioned in section 6.3.5, the non-response questions for the last pay amount questions caused a degree of confusion to respondents, as the questions did not stand out to them as repeat questions.

RECOMMENDATIONS:

Rework the non-response questions to make them better stand out from the original questions, and to stress the importance of providing an amount here. We recommend two changes to achieve this:

- Revising the order of the question wording – to refer to the importance of providing a response at the start of the question
- Stressing the importance of providing this information, including stating that a rough estimate is okay.

There are also some screens throughout the section where it is not clear how to proceed or resolve the issue. For example, the soft check that appears at the second job question if less than £50 or more than £400 is entered does not provide an instruction on what to do next, as outlined in Figure 6.3.

Figure 6.3: ‘Soft check’ if over £400 entered for second-job gross pay (note no instruction as to what to do)

Lisa

You have just entered your gross earnings from your second job are £401 per month.

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RECOMMENDATIONS:

- In self-completion mode, add an instruction to all pay amount ‘soft checks’ to correct the amount or move on to the next question.
- Conduct a wider review of all check text, to ensure instructions are clear and logical.

7. Benefits and unearned income

7.1 Questions included in this section

Following the earned income section, respondents were asked about any unearned income they received. This covered a range of benefit payments, pensions, interest and dividends, alongside other sources of income. This set of questions was asked once per couple, with respondents instructed to include income based on both partners where relevant. Respondents were first asked which, if any, sources of income they received, and then for any that applied were asked to enter the amount and period this covered. They could also enter multiple payments against a single benefit/income source where relevant.

7.2 Changes made between rounds

We made four changes to this section between Round 1 and Round 2, based on the findings from Round 1. The changes were as follows:

- A question was added to ask respondents if they had received any interest or dividend payments in the last month. At Round 1, all respondents were asked how much they received in interest or dividends and this caused some confusion for those who did not receive anything (e.g. realising they should enter '0' here). See section 7.3.6 for more details on these questions.
- The code 'Student Loan or Tuition Fee Loan' was updated to 'Student Loan or Tuition Fee Loan or Educational Grant or Student Bursary'. This followed confusion over this code at Round 1, where students receiving Educational Grants or Bursaries were unsure whether they should include these here.
- The code 'Council Tax Reduction' was updated in Round 2 to 'Council Tax Benefit/ Council Tax reduction' to increase clarity for respondents.

7.3 Issues and recommendations

7.3.1 General issues

A general issue arose during the interviews with couples around who should answer this section. Having just answered the earned income for each person, respondents tended to still be in the mind-set of answering individually and did not always spot the text 'We would now like you to try to complete this section of the questionnaire together, thinking about both your incomes' in the introduction text. One couple at Round 2 answered the section based on only one person's income, which caused confusion at the income summary screen; another couple were initially not sure whether to put both their retirement payments together as they did not notice the instruction in the introduction text. As noted in Chapter 4, there was also no guidance that these questions should cover both partners when only one was present, which caused further issues in some interviews.

The introduction screen generally caused some confusion to respondents, as there were occasions when respondents said they do not receive any benefits, some tried to enter 'none' at this screen, and some got stuck and had to be prompted by the interviewer to select the next button.

The Unearned Income section introduction screen is shown in Figure 7.1, below.

Figure 7.1: Benefits and unearned income introduction screen (laptop)

We would like you to try and complete this section of the questionnaire together, thinking about both of your incomes
Please think about **all** of the extra sources of income you receive, as well as any benefits or tax credits. We'd like to remind you that anything you tell us is completely confidential. This information is important for lots of areas of research, it would be helpful if you could consult any award letters from the DWP or banks statements you may have

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The confusion caused by this screen should largely be rectifiable through better signposting. Our recommendations are outlined below.

RECOMMENDATIONS:

- Add a line space between the first line 'We would like you to try and complete this section of the questionnaire together, thinking about both of your incomes' and the line 'Please think about **all** of the extra sources of income you receive...'
- Rephrase the opening line to 'We would like you to try to complete this section of the questionnaire **together**, thinking about both of your incomes'.
- Where only one partner is present, include specific text around this: 'We would like you to complete this section of the questionnaire based on both you and your partner, thinking about both of your incomes'.
- Add an instruction: 'Please click on the > button to begin the section.'

Another issue related to the instruction 'Please select all of the answers that apply to you' (included at number of questions in this section). Respondents in a couple who were interviewed alone, with their partner not present, tended to think only about what they received personally, rather than all of their benefits as a couple. Based on this finding to use adapt the instruction for 'couple' interviews to 'Please select all that apply to you and your partner.'

RECOMMENDATIONS:

- Change the instruction text for the benefits list to 'Please select all that apply to either of you' for couples.

7.3.2 Child benefit and child tax credit

There were issues during testing around Child Benefit and Child Tax Credit. Some respondents said they were receiving Child Tax Credit, but were not asked the question on this (BENCTC) due to the routing applied (BENCTC only appears if Child Benefit but not Universal Credit is selected at BENBASE). These respondents typically later selected 'Other Benefit's and recorded Child Tax Credit here. There was also some uncertainty among respondents around the amount to enter for Child Benefit – namely whether they should enter one amount received for all their children, or enter the amounts per child individually.

RECOMMENDATIONS:

- Consider removing the routing for BENCTC so that this question is asked to all respondents.
- When asking about child related benefits add wording to make it clear that the amount entered should cover all children.

7.3.3 Council tax and housing benefit

Some respondents were not sure what to enter for council tax benefit/reduction and housing benefit. One respondent entered the full amount of rent owed, which was higher than the amount of housing benefit they received (as they paid part of their rent). Another respondent was not sure how much was reduced from their council tax through council tax benefit, and therefore entered 'don't know', meaning the value of their council tax benefit was not recorded. As noted in Chapter 9, there were related issues around rent and council tax payments at the expenditure screen.

RECOMMENDATIONS:

- While it is not ideal that some respondents were confused over the amount to enter for 'Council Tax Benefits/ Council Tax Reduction' and 'Housing Benefit', we do not think any further changes will improve clarity or accuracy of responses. As mentioned in Chapter 9, one alternative option may be to not ask about council tax and housing benefit in the income section, and only ask respondents to enter the amount they directly pay for each in the expenditure section.

7.3.4 Issues with other specific benefits

Maternity Allowance: This code was selected by one respondent during testing. The respondent selected this benefit and entered a value; however, she had also included it in the figure she gave for her last salary payment and had therefore double counted it, meaning she needed to remove it at the income summary. Given the isolated occurrence of 'Maternity Allowance' being selected during testing, we do not recommend any changes to it.

7.3.5 Benefit amounts

Some respondents receiving multiple benefits did not realise that the question for the amount for each (FRVAL) was looping through each benefit. Figure 7.2 shows this screen for two different benefits: Child Benefit and Working Tax Credits. The display of the benefit is contained in the first line but does not currently stand out from the rest of the question text.

Figure 7.2: Frval - Last Amount Received – display for two

<p>How much was the last payment of Child Benefit (including Lone-Parent Child Benefit payments) you received (to nearest £) after any necessary tax has been paid? If you receive more than one payment, for example, one each, you will be able to enter them separately. If you are unsure, please give an approximate amount. If you have already included this in another payment you have told us about, please enter 0.</p> <p>Please enter the amount first and then click the 'Please select period' option to enter the period this relates to.</p>
<div><div>Amount in £</div><div><div>Don't know</div><div>Don't want to answer</div></div></div>
<div><div>Period</div><div>Please select period...</div></div>

<p>How much was the last payment of Working Tax Credit (includes Disabled Person's Tax Credit) you received (to nearest £) after any necessary tax has been paid? If you receive more than one payment, for example, one each, you will be able to enter them separately. If you are unsure, please give an approximate amount. If you have already included this in another payment you have told us about, please enter 0.</p> <p>Please enter the amount first and then click the 'Please select period' option to enter the period this relates to.</p>
<div><div>Amount in £</div><div><div>Don't know</div><div>Don't want to answer</div></div></div>
<div><div>Period</div><div>Please select period...</div></div>

RECOMMENDATIONS:

- We recommend making the benefit in question more visible to respondents by making it bold and adding a line break between the question and the clarification text:

*'How much was the last payment of **[benefit]** you received (to nearest £) after any necessary tax has been paid?*

If you receive more than one payment, for example, one each, you will be able to enter them separately. If you are unsure, please give an approximate amount. If you have already included this in another payment you have told us about, please enter 0.

Please enter the amount first and then click the 'Please select period' option to enter the period this relates to.'

7.3.6 Dividends and interest

As mentioned earlier in this chapter, a change was made to the dividends and interest question at Round 2 based on findings from Round 1. At Round 2, respondents were firstly asked *whether* they have received any in the last month ('In the last month, have you received any dividends or interest from any savings and investments you may have?'), and those that selected 'yes' were then asked how much. This change was based on findings from Round 1 of testing during which some people were confused by being asked 'How much have you received', and most of those entered '0' or 'Don't know'.

The question generally worked better at Round 2, though some issues arose. As per the rest of the benefits section, it was not immediately clear to respondents answering as a couple whether they should include dividends or interest received for both people, or just one person. One respondent queried whether they should include ISAs as 'savings', while another couple asked whether they should include premium bond winnings – and did not click on the help icon without prompting to by the interviewer.

Based on the testing, we recommend the following:

RECOMMENDATIONS:

- Consider adding 'Please exclude returns from Premium Bonds' to the on screen text at Fiyrdia
- Consider adding some explanatory text around dividends to the 'help' function.

8. Income summary

Once respondents have entered all of their income sources, they are presented with a summary screen based on the information they have provided. The summary screen converts all income sources to monthly net amounts. Respondents are asked to confirm if the total income amount is correct and, if not, can update the amounts previously entered (or add an additional income source) at this stage.

Figure 8.1: Income summary screen (top and bottom parts of screen)

Thank you for telling us about these types of income. Here is a summary of what you have told us you received last month after tax and deductions. Please take a look and confirm whether this is an accurate summary of your income. If not, you will have an opportunity to update the amounts in the boxes.



Michael

Employment income: Main job

£

3000

last month

Sarah

Employment income: Main job

£

1500

last month

Joint Income

Benefit and Pensions

Payments from a family member not living here

£

433

last month

Total Income:

£

4933

last month

Does this summary seem correct?

Yes

No

Don't know

Don't want to answer



Key objectives for cognitive testing in relation to the income summary included assessing:

- Whether respondents understood the information presented, in terms of where it was drawn from and what it represented
- Whether respondents felt that the information presented reflected what they entered previously in the interview
- Whether the total amount presented was an accurate summary of income in the last month – and, if not, what items were missed
- Whether there were any issues with the conversion of different income sources to monthly amounts
- Whether respondents could update amounts where necessary

8.1 Changes made between rounds

At Round 1, one respondent commented that the instruction “Please take a look and confirm whether this summary is accurate” was unclear. They said that it was an accurate summary of what they had entered but that one income source had been missed – so it was not an accurate summary of their income – and they were unsure how to answer. As a result, it was decided to change this wording at Round 2 to: “...and confirm whether this is an accurate summary of your income”.

No other changes were made between the two rounds.

8.2 Issues and recommendations

The income summary worked well; respondents were clear what was being displayed, understood the conversion to monthly amounts, and were clear on what they were being asked to do. In most cases, they confirmed that the total income was correct; indeed, they often said that this was obvious as the summary reflected the information they had already provided and knew to be correct. In a small number of cases, respondents updated income amounts. This was typically where they realised one income source had been missed; for example, at Round 1, a respondent said that the earlier questions had not picked up their student loan, so entered this here.

There were two minor issues:

- Some respondents commented that the total income was an accurate summary of their last month but that their income varied considerably from month to month, and so were not completely certain how to answer here.
- Where respondents wanted to change figures, there was a tendency to attempt to do this on the income summary screen before spotting the ‘Is this correct’ question (which they need to scroll down to see).

RECOMMENDATIONS:

- Add ‘in the last month’ after ‘accurate summary of your income’ to make it absolutely clear to respondents that they should answer based only on the last month.
- We recommend adding text to make respondents aware that they should confirm whether the amount is correct at the bottom of the screen. We suggest the following: ‘Please take a look and confirm whether this is an accurate summary of your income in the last month at the bottom of this screen’.

9. Expenditure

9.1 Overview of expenditure section

After confirming their income, respondents are asked to record their expenditure in the last month across 13 categories (including 'Any other expense'). This is done on a single screen, with boxes for each category and a total box at the bottom, which automatically updates as amounts are entered. For couple interviews, respondents are instructed to include spending by both partners.

Figure 9.1: Expenditure screen (top and bottom half of screen)

In the **last month** (that is since 10-July-2017) how much did you both spend on each of the following items? When answering please exclude work expenses for which you are reimbursed, money put into savings and repayment of bank loans.

Mortgage or rent (Please include the full amount of rent that is paid, before any reductions)	1200
Bills, for example gas, electricity, water, council tax (please include the full amount of council tax that is paid, including anything that is paid on your behalf), telephone, internet, T.V., mobile and household insurance	300
Transport costs, for example running a car (petrol, tax, insurance) and public transport costs	250
Food and groceries, for example food, toothpaste, cleaning products, pet food	400
Clothes and footwear	100
Child costs, for example childcare, school equipment and fees	0
Home improvement and household goods, for example DIY, gardening, furniture, white goods such as a fridge or washing machine, or electrical goods such as a television or computer	100

Health expenses, for example glasses, dental care, prescriptions, social care	0
Socialising and hobbies, for example going out (restaurants, pub, cinema), gym or sport club membership, arts and crafts, children's activities	200
Other treats, for example magazines, DVDs, CDs, games, toys, beauty products	100
Holidays	0
Giving money or gifts to other people, for example money for children, gifts or money for relatives, donations to charity	50
Any other expense	200
Sum	2900.00



After moving on from the expenditure screen respondents are then asked if the total amount sounds about right. If they say 'no' here, they are sent back to update the amounts.

Objectives for testing the expenditure screen included an assessment of the following:

- Whether respondents can recall and provide all of the information requested, and whether they provide accurate amounts or rough estimates
- Whether any common spending categories (or examples) are missing
- Whether there are any categories that cause particular problems
- Whether there are any difficulties converting spending to monthly amounts
- Whether people answer based on the last month, or more generally
- How much thought respondents give to entering amounts, and whether they make changes if the total amount does not look correct
- Any particular issues for couple interviews – e.g. needing to provide joint expenditure, or providing information on behalf of a partner (when only one partner is interviewed)

9.2 Changes made between rounds

Minor changes were made to the expenditure screen between the two rounds:

- The introduction text was updated to make the reference to the 'last month' bold and to refer to the date one month ago. This aimed to focus respondents to answer based on their spending in the last month, and not provide 'average' monthly amounts.
- Specific guidance was added to the mortgage and rent ('Please include the full amount of rent that is paid, before any reductions') and bills ('Please include the full amount of council tax that is paid, including anything that is paid on your behalf') categories. This was aimed at those who received housing benefit or council tax; they had earlier included these benefit payments so it was important to include the total rent/council tax here in order to make sure their income and expenditure correctly balanced.

9.3 Issues and recommendations

Respondents found the expenditure screen to be one of the most challenging parts of the questionnaire. It was also quite time-consuming; in some cases, respondents spent 10-15 minutes working through this. There was a lot of information to provide and to try to recall spending across each category in the last month with accuracy often proved a challenging task. Nevertheless, respondents mostly engaged with the task and spent some time working through each category to provide the information as accurately as possible. They were also usually confident that the total expenditure was broadly accurate, and confirmed this at the follow-up check question. Overall, we found that the expenditure screen does a reasonable job of collecting challenging information and it is hard to see how the current process could be greatly improved. We do however have a number of recommendations for changes that should bring about improvements and report these, alongside a summary of issues, below.

9.3.1 General issues

We found a few general issues that did not relate to specific expenditure items:

- At both rounds there were some issues of respondents answering based on a 'typical' month rather than the last month. This was more of an issue at Round 1 and the changes made at Round 2 helped to focus respondents more (though not exclusively) on the last month. We don't feel that anything more can be done to make this clearer. It should also be noted that expenditure on a number of items will not vary from month to month (e.g. mortgage/rent payments) and so answering more 'generally' will not necessarily impact negatively on the accuracy of information.

- Some respondents found the month long-period to be too long to recall, and would have preferred to report weekly amounts. In most interviews, however, the month reference period did not cause any issues.
- It was commented that the use of examples against categories focuses you to think specifically about these examples and not consider other items. The choice of examples is therefore important.
- It was suggested that 'Any other expense' should be made plural ('Any other expenses').

RECOMMENDATIONS:

- Retain introductory wording used at Round 2 – making 'last month' bold and referring to the date one month ago.
- Carefully consider the use of examples against each category (see specific comments on this below).
- Change 'Any other expense' to 'Any other expenses'.

9.3.2 Introduction

The following text is included on the introduction screen to the expenditure question:

"We would now like to ask you some questions about your spending. It is important for us to ask these questions in order to learn more about people's living standards.

The following questions are about how much you, both [NAME] and [NAME] spend.

You do not need to include spending by any other people who live with you".

Some respondents commented that this introduction was a little long and that the tone did not seem right for an online survey. The second sentence ('It is important...') is perhaps not necessary given the context of a survey about peoples' finances.

Respondents were also required to select a 'Continue' response button on the introduction screen to the expenditure question, as well as the standard next button. This approach differed from other introduction screens so caused some confusion over how to move on.

RECOMMENDATIONS:

- Reduce wording at introduction screen. We suggest removing the second sentence and changing the first sentence to 'Now some questions about your spending'.
- Remove the 'Continue' button from the introduction screen.

9.3.3 Rent and council tax

In the unearned income section of the questionnaire, respondents are asked to report the full amount of housing benefit and council tax they receive, where relevant. In order for their income and expenditure to balance, they then need to enter the full amount of rent and council tax they pay, including any contributions towards this, at the expenditure screen. This caused a number of problems, particularly in the first round of testing. In some cases respondents were not aware that they needed to enter the full amount and instead only entered the share of rent/council tax that they paid themselves. In other cases, respondents were aware of this requirement but did not know the full amount as these benefits are paid directly to the council on their behalf.

Additional text was added in advance of Round 2 to stress the need to include the full amount of rent / council tax paid. This did help to clarify the requirement to respondents, though did not provide a solution to cases where a respondent did not know the full amount(s). The clarification text also caused some confusion

for people this did not apply to – i.e. those who did not receive contributions towards their rent or council tax. This was more of an issue for council tax, as this was already combined into a single category with other bills.

RECOMMENDATIONS:

- This is a difficult area but based on the current approach it is likely that some respondents will answer the income and expenditure questions inconsistently – for example, include their full council tax benefit but only the share of council tax they pay. One option may be to exclude Housing Benefit and Council Tax from the unearned income section and only ask people to include the rent and council tax they pay in the expenditure section. However, this needs further consideration.

9.3.4 Bills

Of all of the expenditure categories, providing spending on bills was most challenging for respondents. There are a number of different items to include here – gas, electricity, water, council tax, telephone, internet, TV, mobile and household insurance – and it was very difficult to add everything together. Respondents took different approaches here; some spent time adding everything up (sometimes on their phone/paper), while others gave fairly rough estimates more quickly.

RECOMMENDATIONS:

- We recommend dividing 'Bills' into a number of separate categories. We would suggest the following:
 - Gas, electricity and water bills
 - Council tax (with additional clarification text as necessary – see above)
 - Telephone, internet, TV and mobile bills/contracts
 - Household insurance

9.3.5 Child costs

Respondents were sometimes unclear on where they should enter spending on their children, as this could potentially fall under several categories:

- Clothes and footwear (some respondents included clothes for their children, as well as for themselves, here)
- Child costs, for example childcare, school equipment and fees
- Socialising and hobbies (which includes 'children's activities')
- Giving money or gifts to other people (for example, children)

RECOMMENDATIONS:

- It may be better to have a single category for 'Spending on children' and instruct respondents to include everything under this. The list of items to include can be drawn from the existing categories: clothes and footwear, childcare, school equipment, fees, children's activities/days out, giving money to children (etc).

9.3.6 Direct debits

Some respondent's initially forgot to include direct debit payments that come out of their account on a monthly basis. When probed, they commented that a reminder around this might be useful.

RECOMMENDATIONS:

- Consider adding text at the top of the screen to prompt people to include direct debits. E.g. 'Please include any direct debit or standing order payments that have come out of your account in the last month'.

9.3.7 Other expenditure categories

There were some other issues with specific categories and example items included at the expenditure screen:

- 'Toothpaste' seemed an odd example to include under the 'Food and groceries' category.
- One respondent commented that they had not heard the term 'white goods' before.
- The 'Other treats' category seemed a bit outdated in its use of examples.
- 'Holidays' caused some problems, partly due to the sometimes disconnect between when people go on holiday and when they are paid for. Respondents also commented that this spending was 'untypical' and were worried that this would skew the information.
- There is a lot included under 'Socialising and hobbies'. It may be clearer to separate out 'memberships' into a separate category. Some people also forgot to include going to cafes / coffee shops under this category.

RECOMMENDATIONS:

- Update 'toothpaste' to 'toiletries and health products'
- Consider removing reference to 'white goods' (and just list out common items).
- Include 'streaming services' as an example for 'Other treats' (+ consider other examples here)
- Consider updating 'Holidays' code to 'Paying for holidays or days out' (see below)
- Separate out 'Memberships of gyms, sports clubs or other organisations' from the 'Socialising and hobbies' category; also consider adding cafes/coffee shops

9.3.8 Missing items

We probed respondents to see if there were any common expenses missing from the categories and examples included. Few respondents could think of other categories, which suggests the current list is fairly comprehensive. However, a few items were mentioned:

- Days out (see recommendation above)
- Cigarettes
- Alcohol
- Getting taxis
- Takeaways

RECOMMENDATIONS:

- Consider updating categories/examples based on the above list.

9.3.9 Entering amounts

Respondents often left boxes where they had not spent anything blank. This resulted in an error message when they tried to move on, as each box needs to be complete (and '0' should be entered for no spending).

RECOMMENDATIONS:

- Include a note in the introduction to: 'Please enter 0 for any items where there has been no spending in the last month'.

10. Income and expenditure checks

10.1 Overview of checks

After respondents have entered their spending and confirmed that this is about right they are then presented with their total income and expenditure together (for the first time) and asked to confirm whether this is correct or whether anything needs to change. The approach to checking these amounts changed between the two rounds of testing, as we explain in the next section.

10.2 Changes made between rounds

At Round 1, respondents were presented with their income, expenditure and balance and asked to confirm if this was correct. If they said 'No' they were sent to a screen with boxes for income and expenditure and asked to update the amounts. We found that respondents struggled to do this in single boxes and instead would have found it easier to go back to review and update the more detailed information entered previously (i.e. the income summary screen and expenditure screen). As a result, for Round 2 the check question was updated to ask which amounts (if any) were wrong, and respondents were then sent back to the relevant screens to review and update amounts. After updating the amounts the check question was repeated, so respondents could potentially be sent back to update amounts twice.

Figure 9.1: Round 1 income/expenditure check

Income: £3249.9
Expenditure: £3000
Balance: £249.9

Last month you had £3249.9 income and £3000 spending. Do these figures look correct?

Yes

No

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Figure 9.2: Round 1 income/expenditure update screen

Please review and revise the figures in the boxes below

Income 3249.9

Expend 3000

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Figure 9.3: Round 2 income/expenditure check

Income: £4933
Expenditure: £2900
Balance: £2033

Last month you had £4933 income and £2900 spending. Do these figures look correct?

☐ Both correct

☐ Income incorrect

☐ Expenditure incorrect

☐ Both incorrect

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We found that the approach taken at Round 2 worked well, and respondents were able to select which items needed to be updated, and revise as necessary.

RECOMMENDATIONS:

- We recommend retaining the income/expenditure check format as used at Round 2.

10.3 Differences between income and expenditure

This was typically the point in the interview when respondents started to first question the information they had entered previously. In some cases, the income and expenditure amounts roughly matched but in other cases there was a large difference. Where there was a difference, typically the income exceeded the expenditure. This caused surprise in a number of interviews as respondents said they never had this much money left over at the end of the month. In some cases, respondents went back to review and update amounts entered previously but in other cases they confirmed the amounts were correct, as each had been entered to the best of their knowledge.

When probing on the reasons for differences in income and expenditure, two main reasons stood out.

First, that the last month had not been typical – e.g. they had received extra income from work (without spending more than usual), or had spent more than usual (e.g. due to a holiday or large purchase) but their income was no different to other months. In some cases (though not all) these differences were resolved at the reconciliation screens (see next chapter).

Second, there were cases where spending had been underestimated. Some respondents said that they *must* have spent more than they had reported – because they knew their income was correct and they did not have money leftover at the end of the month - but could not work out on what.

“I feel like I’m constantly spending when I’m out but I can’t think what on”.

Male, Central London, Round 2

Respondents often went back to the expenditure screen to review amounts and update where relevant but did not feel they could assign additional spending without being sure what they had spent money on. This

reflects a limitation of the expenditure screen – that not all types of spending can be covered, and people will be guided by the categories and examples listed. We have suggested some changes to the expenditure screen in chapter 8 (which should help) but this is unlikely to resolve this issue, and it is likely that spending on some items may continue to be missed.

There may have also been an element of respondents not wishing to appear ‘frivolous’ in their spending, and so may have deliberately (or subconsciously) underestimated these amounts. This may have been more of an issue in these cognitive interviews due to the presence of an interviewer.

10.4 Issues and recommendations

Aside from the above issues, we observed two other minor issues at the income/expenditure check:

- In some cases, respondents were unsure if the information presented was correct but felt it was as accurate as they could make it – so adding some qualification around this may help.
- Where respondents selected that either the income or expenditure (or both) needed to be updated it was not always clear how they needed to go back to update the amounts previously entered.

RECOMMENDATIONS:

- Add ‘roughly’ before ‘correct’ at the income/expenditure check screen.
- Add an instruction to ‘Please select the > button to go back to review your answers’ at the screen that tells respondents they will be sent back to update their income/expenditure.

11. Reconciliation

11.1 Overview of reconciliation screens / questions

A reconciliation stage was included at the end of the questionnaire. This had three purposes:

- To allow respondents to include any additional income or expenditure that had not been included previously in the interview
- To give them the opportunity to review and reconcile any discrepancies between income and expenditure, for example, adding additional income/spending that had previously been missed
- To confirm that additional money had remained in a current account, or been borrowed from other sources

Respondents were given four options for where any extra money may have come from, and the same for where any extra money may have gone:

Where did this extra money come from?	Where did this extra money go?
Withdrawn from savings / investments	Money put into savings / investments
Borrow more money	Paid off debts / loans
Other money coming in	Other money going out
Used money already in current account	Unspent money kept in current account

Regardless of whether respondents had a positive or negative balance, they were asked both versions – i.e. where extra money came from and went. There may have been cases where, for example, a respondent's income exceeded their expenditure but they had also borrowed additional money from savings in the last month, and it was important to capture this. Respondents could enter the appropriate amount against any of the above categories that applied.

The ultimate objective for the reconciliation stage is that any differences in income and expenditure would be resolved, so respondents would account for all money and end the interview with a 'zero' balance.

11.2 Changes made between rounds

There were significant issues with the reconciliation process during the first round of testing. At this stage, the reconciliation task was covered within a single screen, with separate tables that respondents needed to complete for any extra money coming in / going out. Figure 11.1 shows how this appeared to respondents completing on a laptop (chapter 4 shows how this appeared on a smartphone screen). Following completion of this screen, respondents were asked again if they wanted to update anything – and if they did were sent back to the reconciliation screen.

Figure 11.1: Reconciliation screen used during Round 1 (top and bottom parts of screen)

It looks as if you have got £600 more **coming in** than you have **going out**.
 Apart from the income and spending you have told us, have you received or used money in any of these ways in the last month?

Where did this extra money come from?

Withdrawn from savings/investments	Please enter amount in £
Borrow more money	Please enter amount in £
Other money coming in	Please enter amount in £
Used money already in current account	Please enter amount in £
Sum	0.00

Where did this extra money go?

Money put into savings/investments	Please enter amount in £
Paid off debts/loans	Please enter amount in £
Other money going out	Please enter amount in £
Unspent money kept in current account	Please enter amount in £
Sum	0.00

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There were a number of issues with this screen in the first round of testing:

- There was lots of information to take on board, and respondents struggled to understand what they were being asked to do
- It was not immediately clear that there were two parts to the table; in some cases the first part did not seem relevant (e.g. where income exceeded expenditure) and caused confusion

- Respondents were unclear that they needed to enter a '0' for any categories that did not apply; they could not move on without doing this, which caused frustration

Following discussion of the above issues, a number of changes were made for Round 2, with the aim of breaking the task down and making it more manageable for respondents. This essentially involved splitting the single screen used at Round 1 into four separate questions and applying filtering where appropriate. Figures 11.2 to 11.5 show how the process worked at Round 2.

Figure 11.2: Introduction to expenditure questions

It looks as if you have got £600 more **coming in** than you have **going out**. We would like to learn more about what you did with this money. People get money from sources other than income, for example by borrowing, dipping into savings, or using money that is already in their current account.

Also, people also use money on activities other than spending, for example they may pay off debt, put money into savings, or they may leave the rest in their current account.



The order of the questions was set based on the respondent's situation. Where their income exceeded their expenditure, they were asked about any extra money coming in first. This meant that if they did include any extra money here (as in the example in Figure 11.3), this could be reflected in the introduction text at the 'additional spending' question (see Figure 11.4).

Figure 11.3: Question on additional money coming in and follow-up (Round 2)

Apart from any income you have told us, have you received money in any of these ways in the last month?

Withdrawn from savings/investments

Borrowed more money

Had other money coming in

Used money already in current account

None of these

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Please enter the amount you received against each category below

Borrowed more money	<div>Please enter amount in £</div> <div>100</div>
Used money already in current account	<div>Please enter amount in £</div> <div>100</div>
Sum	200.00

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Figure 11.4: Question on additional money going out and follow-up (Round 2)

You have £800 more **coming in** than you have **going out**.
Apart from the spending you have told us, have you used money in any of these ways in the last month?

Put into savings/investments

Paid off debts/loans

Additional spending/money going out

Kept in current account

None of these

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Please enter the amount you used against each category below

Paid off debts/loans	<div>Please enter amount in £ 400</div>
Kept in current account	<div>Please enter amount in £ 300</div>
Sum	700.00

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As at Round 1, where the balance was not zero after this stage, respondents were given a final opportunity to edit these amounts (Figure 9.5).

Figure 11.5: Final reconciliation stage (Round 2)

Thank you for giving us that information. You have told us that you have £3200 coming in and £3100 going out. This means you have £100 more coming in than you have going out.
Do you want to change any of the amounts above?

Yes

No

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Please enter any additional income in the last month against each category below. If you don't want to make any changes please select the > button to continue.

Withdrawn from savings/investments	<div>Please enter amount in £: 0</div>
Borrowed more money	<div>Please enter amount in £: 100</div>
Had other money coming in	<div>Please enter amount in £: 0</div>
Used money already in current account	<div>Please enter amount in £: 100</div>
Sum	200.00

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Please enter any additional spending in the last month against each category below. If you don't want to make any changes please select the > button to continue.

Put into savings/investments	<div>Please enter amount in £: 0</div>
Paid off debts/loans	<div>Please enter amount in £: 400</div>
Additional spending/money going out	<div>Please enter amount in £: 0</div>
Kept in current account	<div>Please enter amount in £: 300</div>
Sum	700.00

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11.3 Issues and recommendations

Overall, the process was much improved at Round 2 (as a result of the changes described above); respondents had a better understanding of the task and, as a result, were more likely to reach or get close to a zero balance. Nevertheless, other issues did emerge and we report on these, and present related recommendations, in the sections below.

11.3.1 Introductory text

Respondents found the introduction to the reconciliation questions (see Figure 11.2) quite wordy, and in some cases needed to read it a number of times in order to process everything. There were also particular issues with wording around terms like 'did with this money' and 'using money' as these did not always reflect the way people thought about anything extra (e.g. if they just left it in their current account they did not feel they 'did' anything with it).

RECOMMENDATIONS:

- We recommend removing some of the text from the introduction screen. Our recommended revised wording is as follows:

Based on what you entered, you had £X more [coming in/going out] than you have [going out/coming in]. The next questions will ask you what happened with this money. You will also be able to include any extra spending or income that has not already been included. Please select the > button to move on.

11.3.2 Wording issues and instructions

In addition to the comments on the introduction, respondents raised other issues in relation to the reconciliation questions:

- They were not always sure they could select more than one category (a 'Select all that apply' instruction was not included)
- At the 'amount' follow-up questions (i.e. the second screens included at figures 11.3 and 11.4) respondents could forget that they were still being asked specifically about the last month
- The follow-up amount questions do not currently state the outstanding balance. In some cases respondents understood that they should reach a zero balance but could not recall how much needed to be entered to achieve this.

RECOMMENDATIONS:

Based on the above issues, we recommend the following changes are made:

- A 'Select all that apply' instruction is added at the two initial reconciliation questions.
- For the follow-up 'amount' screens, 'in the last month' should be added.
- At the latter of the two follow-up amount screens, we should refer to the current balance (e.g. 'Please enter the amount you used against each category below. As mentioned, you currently have £500 more coming in than you have going out').

11.3.3 Current account

One of the more common reasons for income and expenditure not (initially) balancing was due to additional money (unspent income) being kept in a current account. The reconciliation process does allow respondents to account for this money but not all respondents managed to do this. The main issues here is that the wording does not necessarily relate to how people think about money in their current accounts. Respondents

are asked whether they have 'used money in any of these ways' but don't consider leaving money in their current account as 'using it' (quite the opposite, in fact).

RECOMMENDATIONS:

- In some ways, keeping money in a current account does not really fit with the other categories; the other three options are all 'active' (i.e. involving a decision/action), whereas keeping money in a current account is passive. This may suggest that it would be better to separate out 'Kept money in current account' to a separate question / screen; however, it is possible this will further complicate the reconciliation task. An alternative would be to make some simple wording changes to increase clarity:
 - Change 'have you used money in any of these ways in the last month' to 'have you done any of the following in the last month'.
 - Change 'Kept in current account' to 'Left unspent money in current account'.

11.3.4 Final reconciliation check

As shown in Figure 11.5, if income and expenditure did not balance after the initial reconciliation stage, respondents were given a final opportunity to review and update the amounts. We found that very few respondents updated anything here; even where the amounts did not balance, they felt that had already provided all of the information to the best of their knowledge. In some cases respondents were a little frustrated about being asked to review the amounts again, commenting that they had already done this several times.

RECOMMENDATIONS:

- Consider the worth of including this final reconciliation check. Based on the testing, it is unlikely to result in amounts being updated in most cases and risks causing frustration for respondents at the end of an already demanding questionnaire.