

**CENTRE DIRECTOR'S ANNUAL REPORT 2012/13**

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| <b>Reporting Period</b>                  | <b>1 April 2012 to 31 March 2013</b>                   |
| <b>Name of Centre:</b>                   | Centre for the Microeconomic Analysis of Public Policy |
| <b>Director's Name</b>                   | Richard Blundell                                       |
| <b>Start and End Date</b>                | 1 October 2010 to 30 September 2015                    |
| <b>Year of Operation (i.e. 1,2,3...)</b> | 3  |
| <b>Cash limit</b>                        | £7,048,719   |

The Director's Annual Report should be completed in accordance with the attached guidelines. It should be **emailed** to your ESRC Case Officer by **28 March 2013**.

## Introduction

The last 12 months have again been an extremely exciting and demanding period for ESRC Centre research at IFS.

Over the course of the year, we have made extensive research progress and engaged in numerous activities delivering both scientific and policy impact. We have produced important new scientific results across the broad range of areas covered by the Research Centre and we have secured new co-funding and laid the groundwork for much more that we hope to develop over the course of the next three years. There is increasing interest in the reform of the tax and welfare system in the light of the financial crisis, and there has been a huge demand for our expertise in the policy debate. We have now established an international dimension to our work with scientific research and policy analysis extending to Europe, Asia and North America as well as many developing country regions.

In this report we do not have space to detail the extensive impact we had on the day-to-day debate on the design, reform and operation of policy, which this year spanned all areas of government economic policy including direct taxes and benefits, indirect taxes, corporate taxes and government spending. Full details are well-documented in the outputs and KPI sections of this report.

## Impact and highlights

### Research progress

#### *Employment Retention and Advancement (ERA)*

Social experiments can potentially suffer from specific limitations arising due to randomisation *per se*; in particular, the programme participation process may change *because* of the presence of random assignment (a form of ‘randomisation bias’). We illustrate how this has happened in the case of the Employment Retention and Advancement (ERA) experiment, in which over a quarter of the eligible population was not represented. Our aim is to quantify the impact that the full ERA eligible population would have experienced under ERA, and to assess how this impact relates to the experimental impact estimated on the potentially self-selected and advisor-selected subgroup of study participants. Our main findings showcase the usefulness of a judicious combination of both non-experimental methods and the experimental set-up in overcoming the latter’s shortcomings when suitable data are available. Specifically, ignoring failure of the over-identification test, non-experimental estimates would indicate that the experimental estimates significantly underestimate the average impact that the full eligible population would have experienced under ERA; however, when combined, experimental data and non-experimental methods suggest that despite the sizeable share of non-participants, the ERA experiment has not suffered from randomisation bias. In 2012 this research has been presented at three international conferences. We aim to submit our research to a peer-reviewed journal in 2013.

#### *Household consumption and the recent recession*

One of the striking aspects of the current recession, and of recent recessions, has been the collapse in household consumption relative to the fall in household income. This has led to sharp spikes in the average savings rate: for example, from 0.5% to 8.5% in the UK in the 2008–09 recession. Why are households not borrowing or running down savings to smooth their consumption as one might predict? Our research showed that, in practice, these saving spikes are short-lived and common to all working-age groups. We went beyond a simple description of the data and investigated the possible mechanisms at play by simulating recessions with various alternative characteristics (an aggregate permanent negative shock to individual incomes, an increase in the variance of idiosyncratic permanent shocks, a tightening of credit constraints and asset market crashes). We show that the rise in the aggregate savings ratio is mainly driven by increases in uncertainty, rather than tightening of credit. Temporary shocks to the supply of credit also generate increases in saving but only among younger agents. This work was published in IFS Working Paper W12/11 and further development of the model and findings will be carried out prior to publication.

## **Scientific impact**

*How many different types of consumers are there?*

A remarkable feature of consumer microdata is the great heterogeneity in behaviour that is evident, even amongst economic agents who are otherwise similar in observable respects. One problem is how to model behaviour in a way that accommodates this heterogeneity and yet preserves theoretical consistency and tractability. The standard approach is to pool data across agents and to model the behaviour of individuals as a combination of a common component and an idiosyncratic component which reflects unobserved heterogeneity. Such an approach typically requires a combination of assumptions on the functional form of the statistical model and the distribution of unobserved heterogeneity. Work in CPP has looked at a completely different approach based on partitioning the data. This provides a simple, non-parametric and theory-driven way of investigating unobserved preference heterogeneity in consumer microdata. Essentially the idea is algorithmic: to allocate households into the fewest number of groups such that within-group behaviour is entirely explainable by economic theory without recourse to unobservables. We investigated the approach using data on 500 households. Remarkably, a partition into only four or five groups was sufficient to rationalise the data completely. The research is forthcoming in *Economic Journal*.

*Risk pooling, risk preferences and social networks*

We studied group formation when risk sharing is the objective and enforcement is scarce. In particular, we looked at the effects of pre-existing social networks, individual attitudes toward risk, and their interaction on group formation and matching patterns in a risk pooling experiment conducted in 70 Colombian communities. These experimental data were linked to very rich survey data on the same individuals allowing us to look at many background individual, household and community characteristics. We explore the roles played by risk attitudes and social networks in this context. Both theoretically and empirically, we find that close friends and relatives group assortatively on risk attitudes and are more likely to join the same risk pooling group, while unfamiliar participants group less and rarely assort. These findings indicate that where there are advantages to grouping assortatively on risk attitudes those advantages may be inaccessible when trust is absent or low. *American Economic Journal: Applied Economics*.

## **Economic and societal impact**

*Green Budget 2013*

Research on the composition of the fiscal consolidation undertaken by Centre researchers was included in the Bank of England's Inflation Report (February 2013). The research impacted upon the analysis of Bank of England authors and resulted in an increase (300%) in the space devoted to the discussion of fiscal policy in the publication. The Green Budget full report has been downloaded over 4,085 times. Analysis of the introduction of income-related child benefit and the consolidation of seven existing means-tested benefits and tax credits through the introduction of Universal Credit was published prior to the Green Budget in an Observation. This analysis generated much media interest.

*What is the impact of a 45p minimum unit price for alcohol?*

IFS has long argued that the best way to establish a price floor for alcohol would be to reform the existing alcohol tax system in two ways. First, move towards a more equal tax treatment of different types and strengths of alcohol in which the tax is based on alcohol content. Second, restrict alcohol from being sold for less than the total tax due on each product to prevent tax increases from being absorbed by retailers. This reform would ensure that additional revenues flow to the exchequer. By contrast, a minimum price would act as a transfer to the alcohol industry. The size of any windfall from minimum pricing would depend on the supply and demand responses to the policy and the contractual arrangements between producers and manufacturers. If there were no behavioural response at all, a 45p MUP could transfer almost £1.4 billion per year from alcohol consumers to the off-licence alcohol industry.

## **Knowledge exchange**

*Universal Credit, Government Advisory Committee*

When it introduced the new Universal Credit policy, DWP set up a new high-level independent expert advisory group. Professor Blundell represented economic expertise on this committee, whose aim is to instigate new analysis to evaluate and improve the Universal Credit reform.

### *Collaboration and advice on longitudinal studies*

In the last year, Centre Co-Director James Banks took over as chair of the Scientific Advisory Committee of the ESRC's Understanding Society study and was also appointed to its Governing Board. He also sits on the Expert Advisory Group on Data Access established jointly by ESRC, MRC, Cancer Research UK and the Wellcome Trust to provide strategic advice on the emerging scientific, legal and ethical issues surrounding data access for human genetics research and cohort studies. As well as advising interdisciplinary ageing studies in China, India, Brazil and the Republic of Ireland, he delivered the inaugural lecture on the importance of longitudinal and life-course data at the launch of the Centre for Longitudinal Studies established as a joint centre between the Economic and Social Research Institution and Trinity College Dublin.

### *Interaction with DWP over the single-tier pension reforms*

Researchers from IFS met with civil servants from DWP and the Pensions Minister, Steve Webb, while the Department was formulating the 2013 Pensions Bill, which proposed a radical reform to the UK state pension system. IFS researchers used their existing evidence base and expertise to challenge the Department's draft proposals, and DWP civil servants provided input into ongoing IFS research related to the proposed pension reforms. We have submitted written evidence and gave oral evidence to the Work and Pensions Select Committee in February 2013.

### *Mirrlees 'Tax by Design' reform presentations*

Presentations to a wide audience of policymakers and advisors took place, including:

1. Conference of EU member states' Treasury and Finance departments, Brussels, April 2012.
2. Conference on the Economics of the Nordic Model, University of Oslo, September 2012.
3. Institute for Advanced Studies Public Conference, Vienna, October 2012.
4. International Conference on Public Finance, Public Economics & Public Policy, Inaugural Conference, CTRPFP, Kolkata, India, November 2012.
5. Simposio el Sistema Fiscal Español en Tiempos de Crisis, IEB, Open Conference, University of Barcelona, December 2012.

## **International**

### *Employment at older ages*

Centre researchers have been collaborating with two international networks coordinated by the NBER, looking at issues related to the labour market outcomes of older workers around the world. In the first project, co-funded by the Sloan Foundation, we gave evidence on the preferences for work, and for different types of working arrangements, of older adults and how these are related to labour market outcomes and transitions. This evidence draws on microdata from the US, UK, France and Germany. In a related project, co-funded by the National Institute of Aging, we represent the UK as one of 10 countries in an international project to model the effect of financial incentives on labour market outcomes when taking into account the incentives inherent in the pension system and the disability benefit system simultaneously. The research has been presented internationally and will be published in a volume by Chicago University Press.

### *Work and working hours in the US, UK and France*

Collaboration with French researchers provides new analysis of the key stylised facts underlying the evolution of labour supply at the extensive and intensive margins in the last forty years in the US, UK and France. We propose a definition of the extensive and intensive margins robust to the choice of the reference period and we develop a statistical decomposition that provides bounds on changes at these margins. We show that both margins matter in explaining changes in total hours. We highlight similarities in the evolution of the extensive margin for prime-aged individuals in the three countries, while divergence dominates the extensive margin at younger and older ages. At the intensive margin, divergence dominates: hours of work by US workers have remained steady throughout the period, while French workers have markedly reduced their hours. The UK stands apart, with British women working fewer hours than French women but with British men working longer hours than their French counterparts. Given the large differences by age and gender that we document, it is unlikely that a single explanation will suffice. Published in *American Economic Review* and *Fiscal Studies*.

## Progress against objectives

### *Wages, skills and education*

- Evaluated the impact of the ultra-poor programme of livestock asset transfers and skills training for females in rural Bangladesh; working paper entitled 'Can basic entrepreneurship transform the economic lives of the poor?' provided evidence from a control trial of a programme that simultaneously provides assets and training to the poorest women in rural Bangladesh.
- Analysis of the impacts of education and skills training interventions targeted towards adolescent girls in East Africa developed through working paper entitled 'Empowering adolescent girls: evidence from a randomized control trial in Uganda', which evaluates the impact of a programme providing vocational training and health information to young women.
- Event held at ESRC's Festival of Social Science (November 2012) to launch research on how socio-economic differences in participation in higher education have changed since the 2006-07 HE reforms. Invited to present findings at the University of Bath. External researchers have used our figures in presentations to policymakers.
- Interim results on socio-economic gaps in degree outcomes presented to academics and to DfE. Making investments to improve modelling of degree returns and the distributional consequences of the recent changes to HE finance.
- Analysis of the discontinuities in teacher pay to estimate the effect of teacher pay levels on recruitment and retention of teachers as well as the consequences for pupil attainment was presented at two seminars in December 2012 (Institute for Fiscal Studies and Institute of Education).
- Secured funding from Ministry of Justice to explore data on crime and reoffending and advise it on how such data could be used to evaluate policies designed to reduce reoffending.
- Completed a research project co-funded by DfE on the prevalence and dynamics of risky behaviour among young people, and on the evidence from the UK and US on the effectiveness of behavioural economics interventions at reducing such behaviours.

### *Labour supply, health and retirement*

- Interim results from a model of alternative routes into retirement presented at two international research meetings, attended by researchers from around the world.
- Results of project estimating impact of UK pensions and benefit systems presented at two meetings and discussed with researchers who are conducting similar research internationally.
- Co-funded analysis of effect of increasing female state pension age on the labour market activity of older women presented and summarised in a working paper, launched at an event hosted by Nuffield Foundation.
- Analysis of pension wealth and contribution dynamics included in the wave 5 ELSA report.
- Paper assessing impact of decriminalisation of cannabis on health outcomes submitted to peer-reviewed journal in October 2012 (awaiting response).
- Assessment of how taxes and benefits redistribute income and affect work incentives from a life-cycle perspective launched at an event in Whitehall and published in a briefing note and two working papers.
- Analysis of how taxable incomes are affected by the higher rate of income tax using the Survey of Personal Incomes commenced.
- Detailed analysis of the impact of the localisation of council tax benefit on councils and on individuals published and launched in London and Cardiff.

### *Savings, housing and consumer behaviour*

- Initiated analysis of linked ELSA-National Insurance data to understand how the state redistributes across individuals' lifetimes. Findings have aided other outputs on state pension.
- Co-funded analysis of annuitisation behaviour of older adults in England published in November 2012 and launched at event hosted by NAPF.
- Co-funded research on the variance of patience between individuals with different levels of education and numeracy released as working paper and presented in UK and internationally. Now under review at a leading economics journal.
- Co-funded research project on the adequacy of wealth among those approaching retirement published as a report, presented throughout the UK and abroad, and formed the basis of discussion amongst policymakers.

- Analysis of the experimental module on risk and time preferences in ELSA presented at ELSA Wave 5 launch.
- Work on understanding non-standard (behavioural) models of consumer behaviour presented to academic audiences across the UK.

#### *Firms and corporate behaviour*

- Revised and resubmitted paper on the impact of corporate tax on the location of income from intellectual property for *Journal of Public Economics*.
- Resubmitted work comparing nutrition and food purchasing behaviour between the US, UK and France (with colleagues at Northwestern and Toulouse) to *American Economic Review*.
- Revised paper on the impact of offshoring employment of skilled workers on domestic demand for skilled workers; submitted to *Journal of the European Economic Association*.
- Presented draft papers on the impact of advertising on demand for a number of different products and the impact of large income and price shocks over the Great Recession at major international conferences (EEA, RES, Toulouse).

#### *Capacity building*

Recruited four new research economists; hosted five summer students; supervised four PhDs; hosted 54 visiting scholars; held a public economics day in London with panel session on careers in economics; gave lectures in public economics in London, Oxford and Cambridge; held 12 work-in-progress seminars for internal and external speakers; held seven public economics seminars (with STICERD).

#### *Communication and engagement strategy*

Held one in-house broadcast training day; regular meetings of IFS communications committee; sent out four quarterly newsletters; presented 183 papers at conferences or seminars; hosted 43 events; sent 100 tweets; wrote 27 web observations; wrote four impact vignettes which were published online illustrating the impact of Centre-funded research.

## **Summary of performance against Key Performance Indicators (KPIs)**

During the year, 30 refereed journal articles were published or forthcoming and 20 working papers were produced. Centre staff presented 183 papers at conferences or seminars. We wrote 38 non-academic pieces (observations and briefing notes), 10 non-technical reports and 12 public finance bulletins. We published 38 publications externally and wrote 12 newspaper articles.

Centre researchers gave 183 broadcast interviews during the period (with 1,682 broadcast mentions of IFS work). Researchers were cited around 2,000 times in the printed media. We had 1,363,053 visits to the website over the past year. IFS has increased its following on Twitter from just over 5,800 to over 9,400. See <http://twitter.com/theifs>

We have met or surpassed the targets indicated in all dimensions. KPI targets related to Literature, Capacity Building, Collaborations, Financials and Public Lectures/Seminars were all broadly met.

**ESRC GENERAL INDICATORS FOR REPORTING TO GOVERNMENT**

| <b>Name of Investment</b>  |                                      |
|--|--------------------------------------|
| <b>Indicator</b>   | <i>(Please complete this column)</i> |
| <b>A: Number of activities and events involving the general public</b>   | 18                                   |
| <b>B: Number of grants attracted by the investment (involving leveraged funding and/ or in-kind contributions)</b>   | 111                                  |
| <b>C: Number of public policy/business/civil society orientated seminars and workshops</b>   | 21                                   |
| <b>D:</b><br><b>(i) How many non-academic users have worked within the investment on a formal basis to complete a specific programme of work?</b><br><br><b>(ii) How many researchers have the investment placed in user organisations on a formal basis to complete a specific programme of work?</b> | (i) 0<br><br>(ii) 1                  |
| <i>NB – placements funded through ESRC placement schemes should not be included.</i>   |                                      |

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|---|--|
| <b>E: Number of non-academic users on the investment's Advisory Committee</b><br><b>(i) Total number of Advisory Committee members:</b><br><br><b>(ii) Total number of non-academic user members:</b><br><i>Including:</i><br>Number of private sector members:<br>Number of public sector members:<br>Number of civil society members: | (i) 8<br><br>(ii) 3<br><br>Private sector: 1<br>Public sector: 7<br>Civil society: 0 |
|---|--|

**Indicator A: Activities and events involving the general public**

Complete the Table for each activity or event:

| <b>Title</b>  | <b>Date</b>   | <b>Format</b> [ <i>type of event (e.g. lecture/broadcast)</i> ] | <b>Total number of participants</b> | <b>Number of general public participants</b> |
|---|---------------|---|-------------------------------------|--|
| Speech by Danny Alexander                                   | 23 April 2012 | Lecture   | <b>39</b>                           | <b>6</b>                                     |
| Reforming council tax benefit                               | 31 May 2012   | Conference  | <b>50</b>                           | <b>7</b>                                     |
| Structural and reduced form policy effects                  | 14 June 2012  | Seminar   | <b>46</b>                           | <b>2</b>                                     |
| Living standards, poverty and inequality in the UK: 2012    | 15 June 2012  | Conference  | <b>64</b>                           | <b>17</b>                                    |
| The role of education and skills in driving social mobility | 29 June 2012  | Conference  | <b>59</b>                           | <b>15</b>                                    |

|   |                 |            |            |            |
|---|-----------------|------------|------------|------------|
| IFS residential conference 2012: HMRC and the taxpayer  | 14–15 Sept 2012 | Conference | <b>92</b>  | <b>46</b>  |
| How taxes and benefits redistribute income and affect work incentives: a life-cycle perspective                                       | 16 Oct 2012     | Conference | <b>114</b> | <b>23</b>  |
| How have older households been affected by the financial crisis? How prepared for retirement are those approaching state pension age? | 23 Oct 2012     | Conference | <b>68</b>  | <b>30</b>  |
| Annual lecture 2012: numbers and public policy  | 5 Nov 2012      | Lecture    | <b>233</b> | <b>60</b>  |
| Charity impact: what would have happened anyway?  | 5 Nov 2012      | Conference | <b>48</b>  | <b>36</b>  |
| Higher education funding and access   | 9 Nov 2012      | Conference | <b>56</b>  | <b>15</b>  |
| Public economics lectures   | 17 Nov 2012     | Conference | <b>97</b>  | <b>9</b>   |
| Autumn Statement 2012: IFS analysis   | 6 Dec 2012      | Conference | <b>168</b> | <b>48</b>  |
| IFS Green Budget 2013   | 6 Feb 2013      | Conference | <b>360</b> | <b>120</b> |
| Post-Budget briefing 2013   | 21 Mar 2013     | Conference | <b>185</b> | <b>11</b>  |

**Indicator B: Grants attracted by the investment (involving leveraged funding and/ or in-kind contributions)**

For each grant please complete a separate row of the following table:

| Name of grant  | Name of organisation providing funding | Start date | End date  | Total value of grant* (if in-kind contributions please report this and state their nature) | Amount of funding in 2012/13 (estimated by allocating funding by financial year) | Specify whether private, public or civil society funding / in-kind contribution |
|--|--|------------|-----------|--|--|---|
| Alternative models of early child education                              | 3ie                                    | 01-Jun-10  | 31-Jan-14 | £682,883   | £64,967  | Civil Society   |
| Health risks and migration   | AFD-Hewlett-IRD                        | 01-Nov-09  | 31-Mar-13 | £117,800   | £31,387  | Public/Private  |
| How to raise household saving  | British Academy                        | 01-Jan-11  | 22-Feb-12 | £24,980  | £551   | Civil Society   |
| Estimating the long-term impacts of EPPE                                 | Dept for Education                     | 01-Oct-12  | 30-Jun-13 | £57,550  | £30,080  | Public  |
| Evaluation of free school meals  | Dept for Education                     | 01-Mar-09  | 31-Mar-12 | £75,676  | £44,431  | Public  |
| CAYT: Centre for the Analysis of Youth Transitions                       | Dept for Education                     | 01-Jan-10  | 31-Mar-14 | £2,000,000   | £484,188   | Public  |
| CUBeC: Centre for Understanding Behaviour Change                         | Dept for Education                     | 01-Mar-10  | 31-Mar-14 | £528,000   | £65,567  | Public  |
| 16-19 Bursary Fund evaluation (via IoE)                                  | Dept for Education                     | 01-Apr-12  | 31-Oct-14 | £53,747  | £16,023  | Public  |
| Low birth weight in South Asia: a study into cost-effective intervention | Dept for International Development     | 01-Jul-12  | 31-Dec-14 | £40,196  | £2,196   | Public  |

|  |                            |           |           |          |         |               |
|--|----------------------------|-----------|-----------|----------|---------|---------------|
| LPO impact assessment  | Dept for Work and Pensions | 01-Mar-12 | 31-Oct-12 | £3,250   | £3,285  | Public        |
| HBAI checking 10/11  | Dept for Work and Pensions | 01-Jul-11 | 30-Jun-12 | £54,860  | £43,569 | Public        |
| Housing benefit evaluation   | Dept for Work and Pensions | 01-Apr-11 | 30-Apr-13 | £147,570 | £70,000 | Public        |
| HBAI checking 11/12  | Dept for Work and Pensions | 01-Jul-12 | 30-Jun-13 | £54,650  | £29,990 | Public        |
| Universal credit: feasibility study for ex post evaluation                                       | Dept for Work and Pensions | 12-Dec-12 | 31-Mar-13 | £38,425  | £5,489  | Public        |
| Universal credit: peer review  | Dept for Work and Pensions | 01-Nov-12 | 23-Nov-12 | £4,065   | £1,815  | Public        |
| Long-term impacts of Familias en Acción  | Econometria                | 01-Aug-11 | 30-Apr-12 | £43,395  | £14,174 | Civil Society |
| Evaluating the use of incentives in disadvantaged schools in England                             | Education Endowment Fund   | 03-Jul-12 | 31-Aug-14 | £48,530  | £7,595  | Civil Society |
| Evaluation of the LIT programme  | Education Endowment Fund   | 01-Jul-12 | 31-Dec-13 | £70,973  | £23,657 | Civil Society |
| An independent assessment of government policy towards energy use                                | Esmée Fairbairn            | 01-Oct-12 | 30-Sep-13 | £65,075  | £16,268 | Civil Society |
| Early childhood development: identifying successful interventions and the mechanisms behind them | ESRC                       | 02-Feb-09 | 30-Apr-12 | £832,538 | £9,510  | Public        |
| Sustainable Lifestyles Research Group: price responsiveness of demand in energy and              | ESRC                       | 01-Mar-10 | 20-Dec-13 | £206,207 | £71,607 | Public        |

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| transport   |      |           |           |            |          |        |
| Understanding external determinants of the effectiveness of cash conditional transfers: a benchmarking investigation* | ESRC | 01-Jun-10 | 31-May-13 | £124,830   | £72,018  | Public |
| The effects of the financial crisis on older adults in England  | ESRC | 01-Oct-10 | 31-Jan-12 | £98,572    | £17,306  | Public |
| A new approach to the 'age-period-cohort' identification problem  | ESRC | 01-Nov-10 | 31-Jan-12 | £49,414    | £240     | Public |
| A lifetime perspective on the distributional and incentive effects of the tax system                                  | ESRC | 01-Feb-11 | 31-Oct-12 | £101,523   | £56,324  | Public |
| Measurement of risk and time preferences in the English Longitudinal Study of Ageing                                  | ESRC | 01-Dec-10 | 31-Mar-12 | £100,616   | £20,293  | Public |
| Developing robust methods for evaluating policies in the markets for food and nutrition                               | ESRC | 01-Apr-11 | 31-Mar-14 | £750,295   | £194,523 | Public |
| Understanding inequality in elderly well-being in China and the UK*   | ESRC | 01-May-11 | 31-Aug-12 | £4,000     | £4,000   | Public |
| Programme Evaluation for Policy Analysis (PEPA) node  | ESRC | 01-Oct-11 | 30-Sep-14 | £1,789,935 | £333,906 | Public |
| Public finances analysis 2011-13**  | ESRC | 01-Aug-11 | 31-Jul-13 | £20,000    | £11,135  | Public |
| Impact of school resources and teacher pay across local authorities: a regression discontinuity design                | ESRC | 05-Mar-12 | 04-Mar-13 | £92,235    | £63,165  | Public |
| Annuitisation: complexity, decision-making and outcomes   | ESRC | 19-Dec-11 | 19-Sep-12 | £24,552    | £24,283  | Public |
| Marriage and consumption  | ESRC | 01-Feb-12 | 31-Jan-14 | £93,423    | £46,853  | Public |

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| Green Budget 2012  | ESRC                | 01-Nov-11 | 28-Feb-12 | £63,953  | £28,190  | Public |
| Improving productivity in developing countries: identifying bottlenecks and obstacles to investments and technology adoption | ESRC                | 01-Mar-12 | 28-Feb-15 | £359,815 | £108,499 | Public |
| ADT taskforce  | ESRC                | 01-Jan-12 | 30-Apr-12 | £17,291  | £17,291  | Public |
| Roberts Monies**   | ESRC                | 01-Apr-11 | 31-Mar-12 | £15,004  | £15,004  | Public |
| Festival of Social Science 2012**  | ESRC                | 03-Nov-12 | 10-Nov-12 | £2,000   | £2,000   | Public |
| IT infrastructure upgrade**  | ESRC                | 01-Aug-12 | 08-Aug-12 | £132,000 | £132,000 | Public |
| The effect of free childcare on maternal labour supply and child development*  | ESRC                | 01-Oct-12 | 31-Mar-14 | £41,821  | £6,970   | Public |
| NCRM: using survey data to enhance administrative data for policy-relevant research  | ESRC                | 01-Oct-12 | 30-Sep-13 | £27,394  | £6,849   | Public |
| Characterising informal risk sharing in family networks  | ESRC                | 01-Oct-12 | 30-Sep-15 | £204,767 | £18,493  | Public |
| The impact of social security contributions on earnings  | ESRC                | 01-Sep-12 | 31-Aug-15 | £541,164 | £56,072  | Public |
| Scottish independence: fiscal options and constraints  | ESRC                | 01-Dec-12 | 30-Nov-13 | £198,495 | £14,319  | Public |
| The economics of energy policy in the UK   | ESRC                | 01-Oct-12 | 30-Sep-12 | £72,230  | £6,017   | Public |
| Households' response to complex tax  | ESRC/HMRC/HMT       | 01-Jan-11 | 31-Dec-11 | £99,513  | £22,015  | Public |
| TAXUD Consortium: VAT evaluation   | European Commission | 01-Jan-11 | 31-Dec-15 | £125,070 | £2,423   | Public |

|  |                                 |           |           |            |          |               |
|--|---------------------------------|-----------|-----------|------------|----------|---------------|
| TAXUD: VAT 2   | European Commission             | 01-Dec-12 | 31-Aug-13 | £18,215    | £2,023   | Public        |
| Exiting long-run poverty: the determinants of asset accumulation in developing countries                                   | European Research Council       | 01-Jul-10 | 30-Jun-13 | £614,881   | £207,087 | Public        |
| Microeconomic analysis of prices, food and nutrition (MAPFAN)  | European Research Council       | 01-Oct-10 | 30-Sep-15 | £1,301,010 | £182,589 | Public        |
| Welfare state in a complex world   | European Research Council       | 01-Apr-11 | 31-Mar-16 | £1,957,487 | £354,754 | Public        |
| Age of austerity   | FPI                             | 01-Dec-11 | 31-Jan-12 | £9,585     | £3,309   | Civil Society |
| Comparison of instruments to measure early childhood development on children 6–42 months                                   | Inter-American Development Bank | 01-May-12 | 31-Dec-12 | £6,250     | £6,250   | Public        |
| Early childhood development in Peru  | Inter-American Development Bank | 28-Jun-12 | 31-Dec-12 | £5,500     | £5,500   | Public        |
| Early childhood development in Colombia  | International Growth Centre     | 21-Aug-09 | 30-Jun-12 | £70,621    | £15,621  | Public        |
| Creation of data set detailing the characteristics, networks and activities of civil servants of the Government of Nigeria | International Growth Centre     | 15-Jan-11 | 28-Feb-12 | £7,257     | £1,310   | Public        |
| Offshoring research activity   | ITPF                            | 05-Apr-11 | 31-Mar-12 | £9,300     | £8,634   | Private       |
| Taxation of intellectual property and government tax setting behaviour   | ITPF                            | 22-Jul-11 | 30-Jun-12 | £9,375     | £9,683   | Private       |

|  |                            |           |           |          |         |               |
|--|----------------------------|-----------|-----------|----------|---------|---------------|
| Changing employment structure and implications for poverty and inequality                      | Joseph Rowntree Foundation | 01-Jan-11 | 30-Apr-12 | £27,600  | £13,846 | Civil Society |
| Designing carbon taxation to protect low-income households                                     | Joseph Rowntree Foundation | 01-Apr-11 | 30-Jun-12 | £13,720  | £7,477  | Civil Society |
| Reforming council tax benefit  | Joseph Rowntree Foundation | 01-Jan-12 | 30-Sep-12 | £45,715  | £45,715 | Civil Society |
| Poverty and inequality 2012 (HBAI Commentary)  | Joseph Rowntree Foundation | 01-Mar-12 | 30-Jun-12 | £27,421  | £27,421 | Civil Society |
| The outlook for living standards and poverty in later life                                     | Joseph Rowntree Foundation | 20-Feb-12 | 20-Jul-14 | £14,000  | £62,920 | Civil Society |
| The public sector workforce: changing fortunes   | Joseph Rowntree Foundation | 01-Dec-12 | 28-Feb-14 | £117,250 | £6,352  | Civil Society |
| Impact of welfare reform/universal credit on poverty in the future                             | Joseph Rowntree Foundation | 20-Jun-12 | 20-Jun-12 | £250     | £250    | Civil Society |
| The Mirrlees Review: tax by design, lessons for middle-income economies and the case of Turkey | Koc University             | 15-Aug-12 | 15-Dec-12 | £9,375   | £9,375  | Public        |
| CCTs, Childcare and Child Development: Early Career Fellowship                                 | Leverhulme Trust           | 01-Feb-09 | 31-Jan-12 | £105,476 | £5,440  | Civil Society |
| The impact of the minimum wage regime on   | Low Pay                    | 01-Mar-11 | 31-Jan-12 | £39,285  | £6,879  | Public        |

|  |                       |           |           |          |         |               |
|--|-----------------------|-----------|-----------|----------|---------|---------------|
| the labour market outcomes of young people   | Commission            |           |           |          |         |               |
| The impact of the NMW regime on firm investment and labour hoarding during the recent recession            | Low Pay Commission    | 01-Mar-12 | 31-Oct-12 | £24,615  | £24,615 | Public        |
| Payment by Results pilot programme   | Ministry of Justice   | 11-Jun-12 | 15-Feb-13 | £50,667  | £30,667 | Public        |
| Econometric modelling of alcohol demand (MRC via Sheffield)  | MRC                   | 01-Nov-10 | 31-Mar-12 | £45,000  | £1,861  | Public        |
| Annuitisation: complexity, decision-making and outcomes  | NAPF                  | 19-Dec-11 | 19-Sep-12 | £25,000  | £24,449 | Private       |
| Distributional impacts of public spending  | National Audit Office | 31-Oct-11 | 31-Jan-12 | £44,025  | £20,967 | Public        |
| Housing price risk: merit award extension  | NIA-RAND              | 01-May-11 | 30-Apr-16 | £185,074 | £35,181 | Public        |
| International differences in health, longevity and SES   | NIA-RAND              | 01-Sep-11 | 31-Aug-16 | £62,000  | £68,206 | Public        |
| Impact of the month of birth on the development of cognitive and non-cognitive skills throughout childhood | Nuffield Foundation   | 01-Oct-09 | 31-Mar-13 | £129,970 | £42,173 | Civil Society |
| Funding informal childcare   | Nuffield Foundation   | 01-Jun-09 | 31-Jan-12 | £23,878  | £810    | Civil Society |
| Births out of wedlock and cognitive and social development throughout childhood: a quantitative analysis   | Nuffield Foundation   | 01-Oct-09 | 31-Mar-13 | £101,286 | £47,519 | Civil Society |
| Understanding the mechanisms of in-work benefits   | Nuffield Foundation   | 01-Oct-12 | 30-Jun-14 | £106,320 | £9,659  | Civil Society |

|   |                                |           |           |          |          |               |
|---|--------------------------------|-----------|-----------|----------|----------|---------------|
| Behavioural economics and public policy: understanding the implications and an application to UK smoking data | Nuffield Foundation            | 01-May-11 | 31-Mar-13 | £96,437  | £53,102  | Civil Society |
| Measuring living standards: developing quick expenditure questions  | Nuffield Foundation            | 01-May-11 | 31-Jul-12 | £89,655  | £54,813  | Civil Society |
| Higher education funding and access   | Nuffield Foundation            | 01-Jul-11 | 30-Jun-13 | £96,011  | £31,746  | Civil Society |
| Examination of how the tax and benefits system relates to ageing and care                                     | Nuffield Foundation            | 01-Oct-11 | 29-Feb-12 | £23,112  | £15,001  | Civil Society |
| Assessing the impact of the increase in the female state pension age on employment and earnings               | Nuffield Foundation            | 01-Jan-12 | 28-Feb-13 | £48,716  | £41,750  | Civil Society |
| To what extent do those on high incomes respond to changes in marginal tax rates?                             | Nuffield Foundation            | 01-Jul-12 | 30-Jun-14 | £100,913 | £24,451  | Civil Society |
| Green Budget 2013   | Nuffield Foundation            | 01-Dec-12 | 28-Feb-13 | £131,010 | £20,000  | Civil Society |
| Health spending, pay and workforce  | Nuffield Trust                 | 01-May-11 | 31-Mar-12 | £51,625  | £25,828  | Civil Society |
| NHS and social care funding scenarios 2011-12 to 2021-22  | Nuffield Trust                 | 01-Aug-11 | 03-Jul-12 | £13,230  | £8,822   | Civil Society |
| Healthcare markets programme  | Nuffield Trust                 | 01-Oct-11 | 30-Sep-14 | £225,000 | £74,517  | Civil Society |
| ELSA 2010-2014 (ONS)  | Office for National Statistics | 01-May-10 | 31-Mar-14 | £495,353 | £119,266 | Public        |
| Poverty in Northern Ireland from 2011 to 2020: the impact of universal credit                                 | OFMDFMNI                       | 01-Apr-12 | 31-Jul-14 | £131,384 | £54,442  | Public        |

|  |                            |           |           |          |         |                              |
|--|----------------------------|-----------|-----------|----------|---------|------------------------------|
| Early childhood development in villages near Sambalpur, Odisha, India (Rushton)                              | Private donor              | 01-Jun-11 | 31-May-13 | £73,905  | £47,346 | Private                      |
| Road taxation  | RAC Foundation             | 01-Sep-11 | 31-Mar-12 | £15,000  | £3,804  | Private                      |
| Early childhood education and care (Research Council of Norway)  | Research Council of Norway | 01-Oct-12 | 30-Sep-15 | £75,000  | £6,250  | Public                       |
| The implications of changes in the UK jobs market for people on low-to-middle incomes                        | Resolution Foundation      | 01-Jan-12 | 31-Aug-12 | £15,600  | £15,600 | Civil Society                |
| International evidence on work arrangements at older ages  | Sloan Foundation           | 01-Nov-10 | 21-Dec-12 | £62,500  | £44,945 | Civil Society                |
| Evaluation of Aspiring Professionals and Investment Bank Residential programmes                              | Social Mobility Foundation | 19-Nov-12 | 31-Mar-18 | £34,256  | £4,276  | Civil Society                |
| A comparison of commonly used socio-economic indicators and their relationship with educational disadvantage | Teach First                | 18-Jun-12 | 18-Sep-12 | £9,810   | £9,810  | Civil Society                |
| FINISH evaluation  | UNU-Merit/Simavi           | 01-Apr-09 | 31-Mar-12 | £103,635 | £24,108 | Public/Private               |
| Tax Law Review Committee   | Various                    | 01-Jan-12 | 31-Dec-13 | £105,000 | £17,761 | Private                      |
| Retirement Savings Consortium  | Various                    | 01-Jul-10 | 30-Nov-12 | £197,500 | £51,072 | Private/Public/Civil Society |
| ECD in the slums of Sambalpur  | Waterloo Foundation        | 01-Dec-12 | 31-May-14 | £85,000  | £2,800  | Civil Society                |
| Reforming council tax benefit: Wales   | Welsh Assembly Government  | 01-Apr-12 | 30-Apr-12 | £18,000  | £18,000 | Public                       |

|   |                              |           |           |         |         |               |
|---|------------------------------|-----------|-----------|---------|---------|---------------|
| The impact of the UK government's welfare reform on labour supply in Wales                            | Welsh Assembly Government    | 10-Jul-12 | 31-Dec-12 | £56,020 | £56,020 | Public        |
| Local government spending in Wales  | Welsh Local Govt Association | 01-Jun-12 | 05-Sep-12 | £25,400 | £25,400 | Public        |
| Conditional cash transfer programme in Kazakhstan   | World Bank                   | 01-Oct-10 | 31-Jul-13 | £25,612 | £9,000  | Public        |
| Developing a tax microsimulation tool for developing countries: a specific application to El Salvador | World Bank                   | 16-Jan-12 | 30-Jun-12 | £25,000 | £25,000 | Civil Society |
| Incentivising sanitation uptake and sustainable usage through micro health insurance                  | World Bank                   | 01-Jan-13 | 31-Mar-16 | £15,500 | £6,350  | Public        |
| The medium-term effects of a home-based early childhood intervention in Colombia                      | World Bank                   | 01-Jun-13 | 31-Dec-14 | £15,500 | £2,856  | Public        |
| A manual of MEXTAX-LATAX  | World Bank                   | 01-Nov-12 | 20-Dec-12 | £8,000  | £8,000  | Public        |

ESRC grants are funded at 86% FEC, apart from grants marked \* which are funded at 80% FEC and grants marked \*\* which are funded at 100% FEC. All figures given above are grossed up to 100% FEC.

**Indicator C: Public policy/business/civil society orientated seminars and workshops**

Complete the Table for each activity or event:

| <b>Title</b>  | <b>Date</b>    | <b>Target audience:</b> [ <i>private sector/public sector/practitioners/civil society</i> ] | <b>Number of participants</b> |
|---|----------------|---|-------------------------------|
| Speech by Danny Alexander   | 23 Apr 2012    | Public, private and third sectors, journalists and general public                           | <b>39</b>                     |
| Policy evaluation methods   | 24–27 Apr 2012 | Practitioners , public, private and third sectors   | <b>20</b>                     |
| Reforming council tax benefit   | 31 May 2012    | Public, private and third sectors, journalists and general public                           | <b>50</b>                     |
| Structural and reduced form policy effects  | 6 Jun 2012     | Practitioners , public, private and third sectors   | <b>46</b>                     |
| Workshop on applied policy evaluation, with a focus on dynamic issues and duration modelling    | 14 Jun 2012    | Practitioners , public, private and third sectors   | <b>31</b>                     |
| Living standards, poverty and inequality in the UK: 2012  | 15 Jun 2012    | Public, private and third sectors, journalists and general public                           | <b>64</b>                     |
| Microeconomic methods in policy evaluation  | 27 Jun 2012    | Practitioners , public, private and third sectors   | <b>76</b>                     |
| IFS residential conference 2012: HMRC and the taxpayer  | 14–15 Sep 2012 | Public, private and third sectors, journalists and general public                           | <b>92</b>                     |
| How taxes and benefits redistribute income and affect work incentives: a life-cycle perspective | 16 Oct 2012    | Public, private and third sectors, journalists and general public                           | <b>114</b>                    |
| Annual lecture 2012: numbers and public policy  | 5 Nov 2012     | Public, private and third sectors, journalists and general public                           | <b>233</b>                    |
| Charity impact: what would have   | 5 Nov 2012     | Public, private and third sectors, journalists and  | <b>48</b>                     |

|   |                |   |            |
|---|----------------|---|------------|
| happened anyway?  |                | general public  |            |
| Higher education funding: access and outcomes                 | 9 Nov 2012     | Public, private and third sectors, journalists and general public | <b>56</b>  |
| Policy evaluation methods                                     | 4-7 Dec 2012   | Practitioners , public, private and third sectors                 | <b>21</b>  |
| Autumn Statement 2012: IFS analysis                           | 6 Dec 2012     | Public, private and third sectors, journalists and general public | <b>168</b> |
| IFS Green Budget 2013   | 6 Feb 2013     | Public, private and third sectors, journalists and general public | <b>360</b> |
| Employment effects of increasing the female state pension age | 8 Mar 2013     | Public, private and third sectors, journalists and general public | <b>65</b>  |
| Policy evaluation methods                                     | 19-22 Mar 2013 | Public, private and third sectors, journalists and general public | <b>18</b>  |
| Post-Budget briefing 2013                                     | 21 Mar 2013    | Public, private and third sectors, journalists and general public | <b>185</b> |
| Programme evaluation: theory and practice                     | 22 Mar 2013    | Public, private and third sectors, journalists and general public | <b>46</b>  |
| Public policy in an uncertain world                           | 25 Mar 2013    | Public, private and third sectors, journalists and general public | <b>201</b> |

**Indicator D: Placements: (i) non-academic users hosted and (ii) researchers placed in user organisations**

*NB – Placements funded through ESRC placement schemes should not be included.*

For each placement please complete the Table below:

| <b>Name</b> | <b>Hosted [Where from?]</b> | <b>Placed [Where to?]</b> | <b>Dates</b> | <b>Placement duration (weeks / months)</b> | <b>Purpose:</b> |
|-------------|-----------------------------|---------------------------|--------------|--|-----------------|
|-------------|-----------------------------|---------------------------|--------------|--|-----------------|

|              |                              |                 |                         |          |  |
|--------------|------------------------------|-----------------|-------------------------|----------|--|
| Helen Miller | Institute for Fiscal Studies | Bank of England | 4/03/2013-<br>1/07/2013 | 4 months | To work with researchers on UK productivity and performance during the recession |
|--------------|------------------------------|-----------------|-------------------------|----------|--|

## Collaborative activities with other ESRC investments

Centre researchers work informally with members of other investments, particularly the Centre for Microdata Methods and Practice at IFS and those based at UCL and LSE. Some examples of collaborative activities with other ESRC investments during the period:

- Work with the Centre for Longitudinal Studies on an exciting project to develop survey questions to assess the quantitative importance of alternative drivers of education choices among young people. This work combines IFS's understanding of the literature and economic concepts being tested with CLS's expertise of cognitively testing and piloting questions with young people, as well as their management and oversight of the cohort studies.
- Successful bid with the University of Exeter for the Tax Administration Research Centre. This brings together researchers from a number of disciplines (economics, accounting, taxation and social psychology) and aims to become the world's leading centre for research into tax administration.
- Work with researchers at the EPCC supercomputing centre based at the University of Edinburgh to improve our models of life-cycle consumption and labour supply choices.
- Training provided in conjunction with PEPA/CeMMAP, e.g. the popular 3.5-day course on Programme Evaluation Methods, delivered five times this year. **LS**
- Work with the Institute for Social and Economic Research to provide new insights into the effects of childcare on children's educational attainment and mother's labour supply.
- Work with statisticians at the Centre for Multilevel Modelling at the University of Bristol to produce a paper on the choice between fixed and random effects in education research, with an empirical example based on children with special educational needs.
- Work with the Centre for Market and Public Organisation at Bristol University as part of the Centre for Understanding Behaviour Change, which is a research centre funded by the Department for Education.
- Working with Professors Stephen Machin and John Van Reenen at the CEP to study the productivity puzzle that has arisen in the UK since the start of the recent recession. Exciting making detailed comparisons of labour market and firm behaviour in the UK. Working closely with Bank of England economists. We will run a joint invited session at the 2013 Royal Economic Society conference.

**Annex 1**

| Indicator   | KPI  | Impact within the <u>Public, policy and practice world</u> |                     |                  | <u>Academic world and scientific quality</u> |                  |                  | Total            |                  |                  |
|---|--|--|---------------------|------------------|--|------------------|------------------|------------------|------------------|------------------|
|   |  | Target<br>12/ 13   | Actual<br>12/<br>13 | Target<br>13/ 14 | Target<br>12/ 13                             | Actual<br>12/ 13 | Target<br>13/ 14 | Target<br>12/ 13 | Actual<br>12/ 13 | Target<br>13/ 14 |
| <b>Literature</b> - Value placed upon\incentives for generation of impact |  |  |                     |                  |  |                  |                  |                  |                  |                  |
|   | <b>Conference papers</b>   |  |                     |                  |  |                  |                  |                  |                  |                  |
| *L1   | Please indicate how many conference papers your award has produced (directly attributable to your ESRC research grant) |  |                     |                  | 85   | 132              | 90               |                  |                  |                  |
| L1Q   | Centre researchers gave 132 conference papers and 51 seminar presentations   |  |                     |                  |  |                  |                  |                  |                  |                  |
|   | <b>Books</b>   |  |                     |                  |  |                  |                  |                  |                  |                  |
| L2  | Please indicate how many books your award has produced (directly attributable to your ESRC research grant)             | n/a  | n/a                 | n/a              | 3  | 3                | 3                | 3                | 3                | 3                |
| L2Q   |  |  |                     |                  |  |                  |                  |                  |                  |                  |
|   | <b>Book chapters</b>   |  |                     |                  |  |                  |                  |                  |                  |                  |

|     |  |     |     |     |    |    |    |    |     |    |
|-----|--|-----|-----|-----|----|----|----|----|-----|----|
| *L3 | Please indicate how many book chapters your award has produced (directly attributable to your ESRC research grant)   | n/a | n/a | n/a | 10 | 15 | 10 | 10 | 14  | 10 |
| L3Q |  |     |     |     |    |    |    |    |     |    |
|     | <b>Refereed journal papers</b>   |     |     |     |    |    |    |    |     |    |
| *L4 | Please indicate how many academic journal papers your award produced (directly attributable to your ESRC research grant)   |     |     |     | 30 | 30 | 30 |    |     |    |
| L4Q |  |     |     |     |    |    |    |    |     |    |
|     | Other publications (inc Working Papers, Research Briefings, Newsletters)   |     |     |     |    |    |    |    |     |    |
| L5  | Please count all <u>other</u> publications (directly attributable to your ESRC research grant)   |     |     |     |    |    |    | 50 | 130 | 70 |
| L5Q | The 'actual' number includes working papers (20), reports (10), briefing notes (11), observations (27), external publications (38), newspaper articles (12) and public finance newsletters (12). |     |     |     |    |    |    |    |     |    |

| Indicator      | KPI | Impact within the Public, policy and practice world |        |        | Academic world and scientific quality |        |        | Total  |        |        |
|----------------|-----|---|--------|--------|---------------------------------------|--------|--------|--------|--------|--------|
|                |     | Target  | Actual | Target | Target                                | Actual | Target | Target | Actual | Target |
| <b>Targets</b> |     | 12/ 13  | 12/ 13 | 13/ 14 | 12/ 13                                | 12/ 13 | 13/ 14 | 12/ 13 | 12/ 13 | 13/ 14 |

| Capacity building   |   |  |  |  |     |     |     |  |  |
|---|---|--|--|--|-----|-----|-----|--|--|
| PhD students (ESRC funded/ other)                                   |   |  |  |  |     |     |     |  |  |
| *CA1  | How many PhD students are attached to your grant (ESRC funded/ other) |  |  |  | 4   | 4   | 4   |  |  |
| CA1Q  |   |  |  |  |     |     |     |  |  |
| Post-Doc Fellows  |   |  |  |  |     |     |     |  |  |
| CA2Q  | How many Post-Doc fellows are attached to your grant                  |  |  |  | n/a | n/a | n/a |  |  |
| CA3 Qual  | Destination of staff  | Alissa Goodman took up a Chair in Economics at the Department of Epidemiology & Public Health at UCL; she has been working on the Life Study, which is the UK's largest national birth cohort study so far and will gather data on 100,000 babies born in the UK beginning in 2014.  |  |  |     |     |     |  |  |
| CA4 Qual  | Staff development   | Staff at all levels are encouraged to improve their skills through formal and informal systems. An individual annual review system provides a formal structure for staff to identify areas for development; just as importantly, researchers work in small teams in open-plan offices, where junior staff interact with senior staff and Research Fellows and are encouraged to put forward their own ideas and to take on increasingly responsible roles in projects. Tailored in-house media training is offered periodically to new (and more experienced) staff; the most recent training day was held in December 2012. Almost half of the IFS staff participate in the IFS Budget and Green Budget briefings, including the Director, programme directors, senior research economists and research economists at the start of their careers. The Budget analysis also gives an opportunity for Centre staff to work backstage at the BBC, briefing journalists on the potential impacts of the measures proposed. In addition we provide an induction programme for new starters to familiarise them with IFS work, communication strategy and the research environment. |  |  |     |     |     |  |  |
| Collaborations - Two way interactions between researchers and users |   |  |  |  |     |     |     |  |  |

|          |  |  |  |  |      |      |      |     |   |   |
|----------|--|--|--|--|------|------|------|-----|---|---|
|          | <b>Overseas / UK visitors (including visiting fellows)</b>   |  |  |  |      |      |      |     |   |   |
| *CO1     | Please indicate how many visiting fellows you have hosted  |  |  |  | 20/3 | 53/3 | 20/3 |     |   |   |
| CO1Q     |  |  |  |  |      |      |      |     |   |   |
|          | <b>Knowledge Exchange engagement – staff members in placements</b>   |  |  |  |      |      |      |     |   |   |
| CO2      | Please indicate how many staff members are involved in formal placement schemes, i.e. you may have staff members who spend a day a week working in the public / private / or civil society.    |  |  |  |      |      |      | n/a | 1 | 1 |
| CO2Q     | Senior Research Economist Helen Miller will spend four months at the Bank of England to work with Bank economists on important issues around UK productivity performance during the recession. |  |  |  |      |      |      |     |   |   |
| CO3 Qual | Partner collaborations – industry, business, civil society   | <p>Please use this space to indicate any partner collaborations you may have with industry, business or the civil society. Perhaps you have collaborated on a piece of work, or spoken at stakeholder events etc.</p> <p>Collaborative events and research include:</p> <ul style="list-style-type: none"> <li>- Retirement Saving Consortium (DWP, Treasury, FSA, NAPF, Money Advice Service, Investment Management Association, Partnership Pensions, Pensions Corporation, Age UK, Association of British Insurers)</li> <li>- IFS Residential Conference (varied collaborators from industry, business and the civil society)</li> <li>- Conference: Promises for Preschoolers: Early Childhood Development and Human Capital Accumulation (with UCL and 3ie)</li> <li>- Collaboration with the Peruvian Government to design an early childhood development programme</li> <li>- Working paper on peer effects in risky behaviours with Joseph Altonji (Yale University)</li> <li>- Collaborative research project on defined contribution pensions (with NAPF)</li> <li>- Launch of the Tax Administration Research Centre (HMRC/HMT/ESRC)</li> <li>- Green Budget 2013 (with analysis from Oxford Economics)</li> </ul> |  |  |      |      |      |     |   |   |

| Indicator   | KPI  | Impact within the <u>Public, policy and practice world</u> |                  |                  | <u>Academic world and scientific quality</u> |                  |                  | Total            |                  |                  |
|---|--|--|------------------|------------------|--|------------------|------------------|------------------|------------------|------------------|
|   |  | Target<br>12/ 13   | Actual<br>12/ 13 | Target<br>13/ 14 | Target<br>12/ 13                             | Actual<br>12/ 13 | Target<br>13/ 14 | Target<br>12/ 13 | Actual<br>12/ 13 | Target<br>13/ 14 |
| <b>Financials</b> - Injections of financial support, dedicated staff infrastructure |  |  |                  |                  |  |                  |                  |                  |                  |                  |
|   | <b>Funding from ESRC other than your core funding (£)</b>  |  |                  |                  |  |                  |                  |                  |                  |                  |
| *F1   | Please indicate other sources of income from the ESRC i.e. Festival of Social Science.   |  |                  |                  |  |                  |                  | 700k             | 1.01m            | 1m               |
| F1Q   | Funding includes open research grants, NCRM node funding, Festival of Social Science, IT infrastructure support and specific programme calls.                              |  |                  |                  |  |                  |                  |                  |                  |                  |
|   | <b>External funding (£) - from outside ESRC and Host institution</b>   |  |                  |                  |  |                  |                  |                  |                  |                  |
| *F2   | Please indicate the level of funding that you have successfully leveraged from external sources (details of which you state in Section 5 Indicator B)                      |  |                  |                  |  |                  |                  | 2.7m             | 2.8m             | 3.2m             |
| F2Q   | European Research Council grants account for £865k; other sources include charitable foundations, government departments, the World Bank, and other international funders. |  |                  |                  |  |                  |                  |                  |                  |                  |
|   | <b>Funding applications made / funding applications secured</b>  |  |                  |                  |  |                  |                  |                  |                  |                  |
| *F3   | Please indicate the number of funding applications made and secured  |  |                  |                  |  |                  |                  | 80/30            | 79/42            | 80/30            |

|         |  |  |    |    |    |   |    |  |  |  |
|---------|--|--|----|----|----|---|----|--|--|--|
| F3Q     |  |  |    |    |    |   |    |  |  |  |
| K1 Qual | Membership of significant committees   | Please indicate which significant committees your staff are members of in the public, private and civil society. Please do not count ESRC, RCUK or internal university committees.<br><br>Rafaella Giacomini, Chair of EEA Women in Economics Committee<br>James Banks, Trustee of Nuffield Foundation<br>Rachel Griffith, President of the EEA<br>Carl Emmerson, Advisory Board Member of ESRC Research Centre on Micro-Social Change (MISOC) |    |    |    |   |    |  |  |  |
|         | <b>Substantial advice and consultancy</b>  |  |    |    |    |   |    |  |  |  |
| *K2     | Please indicate how many times your grant has provided advice and consultancy. This could include: government enquiries, government consultation submissions, ministerial briefing meetings etc. | n/a  | 99 | 95 |    |   |    |  |  |  |
| K2Q     | e.g. consultancy to London Stock Exchange, House of Lords, government and political parties, Fabian Commission, Treasury, ONS, OBR   |  |    |    |    |   |    |  |  |  |
|         | <b>International collaborative research projects participated in</b>   |  |    |    |    |   |    |  |  |  |
| *K3     | Please indicate the number of international research projects that staff members have participated in  |  |    |    | 10 | 9 | 10 |  |  |  |

|     |  |
|-----|--|
| K3Q | <p>Highlights included</p> <ol style="list-style-type: none"><li>1. Ongoing research project (co- funded by ORA and ERC) with Toulouse and Northwestern, including conferences, workshops and research visits</li><li>2. Continuing involvement with the NBER International Social Security project</li><li>3. Research into microfinance in Bosnia</li><li>4. Research into household responses to childhood nutrition in Malawi</li><li>5. Research on the relationship between social security contributions and earnings with researchers at DIW Berlin, Paris School of Economics and CPB Netherlands Bureau for Economic Policy Analysis</li></ol> |
|-----|--|

| Indicator  | KPI   | Impact within the <u>Public, policy and practice world</u> |                  |                  | <u>Academic world and scientific quality</u> |                  |                  | Total            |                  |                  |
|--|---|--|------------------|------------------|--|------------------|------------------|------------------|------------------|------------------|
|  |   | Target<br>12/ 13   | Actual<br>12/ 13 | Target<br>13/ 14 | Target<br>12/ 13                             | Actual<br>12/ 13 | Target<br>13/ 14 | Target<br>12/ 13 | Actual<br>12/ 13 | Target<br>13/ 14 |
|  | Written policy briefings  |  |                  |                  |  |                  |                  |                  |                  |                  |
| K4   | Please indicate the number of policy briefs that you have produced                  | 25   | 48               | 30               |  |                  |                  |                  |                  |                  |
| K4Q  | Briefing notes (11), reports (10), observations (27)                                |  |                  |                  |  |                  |                  |                  |                  |                  |
| <b>Communications</b> - Communications/ increasing accessibility of research |   |  |                  |                  |  |                  |                  |                  |                  |                  |
|  | <b>Media coverage – newspapers</b>  |  |                  |                  |  |                  |                  |                  |                  |                  |
| *CS1   | Please indicate how many times the grant has been mentioned in the press            | 1500   | 2000             | 1800             |  |                  |                  |                  |                  |                  |
| CS1Q   | Covers the period April 2012 – February 2013 inclusive                              |  |                  |                  |  |                  |                  |                  |                  |                  |
|  | Media coverage – radio and TV   |  |                  |                  |  |                  |                  |                  |                  |                  |
| CS2  | Please indicate how many times the grant has been mentioned on television and radio | 150  | 1682             | 1700             |  |                  |                  |                  |                  |                  |

|      |  |      |      |    |     |     |     |      |        |      |
|------|--|------|------|----|-----|-----|-----|------|--------|------|
| CS2Q | Covers the period April 2012 – February 2013 inclusive   |      |      |    |     |     |     |      |        |      |
|      | NB. Owing to new ESRC data we can now track press mentions in addition to interview broadcasts. Previously only interviews could be monitored. IFS gave 183 interviews on TV and radio including on The Today Programme, Newsnight, The Daily Politics Programme, and BBC, ITV, Channel 4 and Sky News (TV and radio). |      |      |    |     |     |     |      |        |      |
|      | Internet visits (unique visitors)  |      |      |    |     |     |     |      |        |      |
| CS3  | Please indicate how many unique internet visitors your grants website has received   |      |      |    |     |     |     | 1.3m | 1.365m | 1.3m |
| CS3Q |  |      |      |    |     |     |     |      |        |      |
|      | <b>Public lectures / seminars</b>  |      |      |    |     |     |     |      |        |      |
| *CS4 | Please indicate how many public lectures / seminars you have organised (do not include those attended). This could include for example, Festival of Social Science events  | /    | 53   | 40 |     |     |     |      |        |      |
| CS4Q | Festival of Social Science (1), STICERD events (8), other events (43)  |      |      |    |     |     |     |      |        |      |
|      | Blog subscribers   |      |      |    |     |     |     |      |        |      |
| CS5  | If your grant has a blog, how many people subscribe  | 7500 | 9091 |    | n/a | n/a | n/a | 7500 | 9433   | 9450 |
| CS5Q | NB. This is not a blog, but indicates the number of followers IFS has on Twitter. We sent out 100 tweets during the period.  |      |      |    |     |     |     |      |        |      |

## **Annex 2 (optional) - Confidential report on concerns and difficulties**

N/A

## **Annex 3 – Risk management (no maximum length)**

No extensive comments necessary. The Centre's risk register has been reviewed and no risks have been escalated, nor have any mitigating actions to address existing risks been necessary.

We are currently investigating ISO27001 and have carried out a risk assessment of IT security as part of this project. We are reviewing the findings of the assessment to evaluate any changes that should be made to our IT and related arrangements to improve security.