

**Scottish Parliament Finance Committee inquiry into preventative spending
Response from Barnardo's Scotland**

27th August 2010

Context

Barnardo's Scotland is a national voluntary organisation providing over 70 services throughout Scotland, working in partnership with 30 out of 32 local authorities in Scotland. We provide a range of services to nearly 10,000 children and families across Scotland. Every Barnardo's project is different but each believes in the potential in every child and young person, no matter who they are, what they have done or what they have been through.

Barnardo's Scotland welcomes the Finance committee's decision to explore how public spending can best be focussed over the longer term on trying to prevent, rather than deal with, negative social outcomes. We recognise that public spending in Scotland is likely to be severely constrained over the next few years, and that projections from Dr Andrew Goudie, indicate that departmental public spending in Scotland will not return to 2009 levels for at least another 13 years. However, any plans for cutting services will need to be mirrored by a plan to reduce demand for services through preventative work and early intervention. Cutting service supply without reducing the service demand people place on them is a recipe for disappointment and disillusionment.

This is very clear when we consider the needs of the growing number of vulnerable children and young people in Scotland. Cutting social work spending will not reduce the number of children needing help. There is also a real danger that efforts to prioritise protecting 'frontline' services could result in cuts to preventative services. Instead we need a recognition that early parental support, substance misuse services and education are keys to cutting later demand for expensive crisis support and therefore reducing long-term spending.

In our experience the default public sector response to demands for belt-tightening is to look to trim budgets, without seeking to really change the way money is spent or services are delivered. However, the scale of the spending constraint faced by government cannot be successfully executed by changes at the margins, freezing pay or top slicing.

We therefore hope that the committee's enquiry will act to stimulate a review of service delivery, and look at how we can 'bend the spend' towards prevention, not only within departments and directorates, but across the public sector in Scotland.

Responses to specific questions in consultation document

- 1. How can public spending best be focussed over the longer term in trying to prevent, rather than deal with, negative social outcomes?*

Barnardo's services have always sought to prevent, rather than simply deal with the aftermath of negative social outcomes. This work includes activities that could be described as 'early intervention' as well as purely preventative work.

Preventative activities include spending to boost the resilience of children and families and protect them from potentially poor outcomes in future. An example of this is our You First programme – a new booster programme for young parents with a baby under the age of one living in the 15 per cent most deprived areas of Scotland.

YouFirst brings together vulnerable young mothers and lets them determine what they need to learn more about from a menu of options. The programme incentivises attendance with a £20 per week cash grant and also draws in public services to meet them as a group to break down barriers of judgement and misconception. You First currently has a 73 per cent attendance rate and 80 per cent of participants demonstrate positive outcomes on their parenting knowledge and confidence

However, we would argue that it is also important to recognise early intervention work as also constituting valid spending on prevention. The key difference with pure preventative spending is that these interventions into the lives of children, young people and their families take place where problems have already emerged. Our early intervention seeks to prevent already existing issues getting worse, and avoid long term negative outcomes.

An example of this kind of activity is our New Directions service, which works with young people in Aberdeen and Aberdeenshire aged 12 to 18 involved in persistent and serious offending behaviour. The works offers support and help to divert them away from care or custody. Over the last ten years, more than 70 per cent of young people who have completed the programme have reduced their offending behaviour. The service initially carries out a detailed eight week assessment, then, along with partner agencies, it draws up an individual action plan based around intensive contact. Regular reviews take place and weekly updates from the police of any suspected offending behaviour, as part of a process of challenging the young person about their offending. The staff use a variety of approaches, including therapeutic approaches, to help young people become more confident. They also support young people in finding employment and accommodation, which helps to reduce the risk of re-offending.

Barnardo's Scotland is happy to supply more information about our preventative and early intervention work if required.

- 2. What evidence can you provide from the UK and abroad to show that promoting preventative spending has been effective?*

The costs of failing to deliver early intervention and preventative work are clear. Sheffield Hallam University has estimated that families with severe problems could cost local services between £250,000 and £300,000 per year. In our experience, family based models of preventative work and early intervention have proved to be particularly effective in tackling some of the issues faced by families such as these, reducing the long term costs. Family-centered interventions are an important part of the work of many of Barnardo's Scotland services.

The Association of Directors of Children's Services (ADCS) and the Westminster Department for Education (DFE) are currently assessing the cost of effectiveness of the Family Intervention Projects (FIPs) run by Barnardo's in England and Wales. In common with similar services in Scotland, these services challenge and support parents and their children to face up to their behaviour and accept responsibility for their actions. By adopting a key worker system that takes a whole family approach these projects have been very successful in improving outcomes.

Early results from the ADCS/DFE Cost Effective Children's Services project shows FIPs can save up to £81,624 per family per year. Recent evaluation of the FIPs shows overwhelmingly positive outcomes including: 64% reduction in anti social behaviour; 58% reduction in truancy, exclusions and bad behaviour at school; 61% reduction in domestic violence; 70% reduction in substance misuse; and 42% reduction in concerns about child protection.

The ADCS/DFE Cost Effective Children's Services project estimates the cost of Family Intervention Projects at £8-20,000 per family per year, compared to a single child looked after in foster care, which they estimate costs £25,000 per year and a child looked after in secure accommodation which they estimate costs £134,000 per year.

We would be happy to supply more information about our Family Intervention Projects if this would be useful for the committee.

- 3. The Finance Committee has recommended that the Scottish Government continue to direct its spend towards preventative programmes. Which programmes should be prioritised?*

Determining which individual programmes should be prioritised is difficult because the Scottish Government does not always have public evidence and information on programme effectiveness and policy innovation. There is also a degree of duplication across different agencies who can be targeting different forms of preventative work at the same groups during the same period.

Therefore we welcome the commitment to improving joint working to deliver early intervention as set out in the Getting It Right For Every Child (GIRFEC) common values and principles. These principles should apply across all aspects of work with children and young people, and include a commitment to providing help as early as possible and considering short and long-term needs, and recognising that children, young people and their families need practitioners to work together, when appropriate, to provide the best possible help. Together with a commitment to supporting innovation and assessing outcomes, The GIRFEC approach should continue to be supported in order to release resources through early intervention, prevention and greater efficiency.

4. *To what extent is preventative spending effective in addressing the financial impact of demographic change?*

When working with children and young people we need to unpick the nature of demographic change processes at work in Scotland. It is estimated that the number of under 16 year olds is likely to decrease by 15% by 2031, with the number of people of pensionable age is likely to rise by 35%. However, the latest figures show that the number of children looked after by local authorities has increased every year since 2001, and is at its highest since 1983. (figures from <http://www.scotland.gov.uk/Publications/2010/02/22133946/52>).

Therefore there needs to be a recognition that although the number of children in Scotland may be falling absolutely and as a proportion of the population, the number of children who could benefit from preventative spending is potentially rising. Therefore preventative spending should be considered in the light of wider patterns of social change, including those that have given rise to the growing number of looked after children, rather than purely demographic change.

It is also worth noting that by 2030 those aged 16 today should be in their highly productive mid-thirties. The more young people are excluded from the labour market now, the greater the skills and productivity deficit that we are storing up for our future. Preventative spending is therefore crucial to ensuring that we are able to free the potential and productive capabilities of future generations. Not doing so will embed an output gap that will hold back our wider development as a country.

5. *What are the main barriers to trying to focus spending on preventing, rather than dealing with, negative social outcomes? Is a focus on preventative spending less likely in the current financial climate?*

Early intervention and preventative services, by their very nature, can be seen as easy targets for funding cuts when resources become constrained. Unlike work to provide an immediate response to crisis situations, the benefits of such work only become clear some time after the spending has been committed. It can be particularly difficult to quantify the success of preventative services, because you are trying to evidence that something has been prevented from happening when it may not have happened anyway. An additional complication is that the areas of the public sector that benefit from the early intervention are not necessarily the same as those incurring the cost of the work, thereby reducing direct incentives for investment.

Therefore efforts to focus spending on preventative work will need to challenge the way that spending is currently concentrated on particular forms of service delivery. Existing services are usually not tasked with reducing the number of users of the services (i.e. a preventive approach), instead focussing on outcomes once people require the service. As we argued earlier, focussing spending on prevention will require this challenge to be made, ensuring that resources are moved to a much earlier stage in the evolution of problems. This must take place not merely within departments or directorates, but between departments and directorates, and may often require a shift from central budgets such as prisons or health spending to local services.

A particular issue here has been the lack of improvements in policy innovation or creative cross-sector programmes in recent years. Many public programmes have been the result of closed-door policy formulation and have lacked effective engagement across the voluntary and private sectors. Only 30% of

social work organisations in Scotland have an innovation strategy and 62% of social work professionals say there is no money for new ideas. Furthermore, the structure of public services does not sufficiently allow for innovation to flourish and 61% of social work professionals say they have no time to innovate.

We recognise, however, that increasing funding is not a means in itself to tackle negative social outcomes. Despite significant increases in public spending there has been little or no change or improvement in child poverty, children in care, educational attainment of the poorest children or the rate of parental substance misuse.

The current financial position must not, therefore, be used as excuse for failure to prevent negative outcomes, but as an opportunity to re-think how and what we deliver for the most vulnerable.

6. How do we ensure that we monitor the impact of preventative spending over the longer term and shape budgets accordingly?

Barnardo's has always welcomed efforts to reshape budgets in accordance with the evidence of what has been demonstrated to work. This is particularly true of preventative spending, given the time-lag effects mentioned above. However, while success can be difficult to quantify, we can often identify policy failure very clearly. For example we know that the incarceration on young people is not only very expensive, but it also leads to long-term negative outcomes. Indeed, over the years there has been a succession of pilots and short-term projects designed to tackle this. However, what is needed now is a concerted effort to deliver what we know actually works. Again, in order to secure the shift in resources to what works, strong leadership will be needed to challenge institutions that are wedded to failed models. This leadership, and a determination to make long term investments is crucial to shaping limited budgets to deliver their maximum potential.

7. Is the effectiveness of a preventative spending programme influenced by whether the relevant services are provided by the public, private or voluntary sector?

Yes. The mix of service delivery agencies is crucial to effective engagement of vulnerable groups as in many cases agencies in the public sector are not best placed to deliver preventative services. The relationship between voluntary organisations and service users can be quite different to that between service users and state-run preventative services, where the ability to deliver effective work may be undermined by a poor relationship with the local state.

An example of this is the Barnardo's Scotland You First programme, highlighted earlier. The programme has a current attendance rate of 73% across three local authorities. The young women in this group were all targeted by sure start and other public programmes and chose not to attend. Our initial findings indicate that You First is up to three times more effective at engaging this group than mainstream services.

Therefore we would ask the committee to recognise that the voluntary sector in Scotland, epitomised by organisations such as Barnardo's Scotland, has a strong tradition of delivering effective preventative work, and has a particular strength in developing new and innovative approaches.

Conclusion

Barnardo's welcomes the inquiry into preventative spending. We believe that such an approach is vital if we are to improve long-term outcomes for Scotland's children. As we have argued in our response, innovative approaches are needed to tackle the roots of Scotland's long standing economic issues. This will require a more open and diverse approach to policy design and a willingness to move away from failing models of service delivery. We would also re-iterate the crucial importance of having a diversity of service providers - the state is not always best placed to engage those who don't trust the state

We would be happy to provide oral evidence to the Committee if this were thought to be useful.

For more information please contact

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