

## Government ambitions for a preventative agenda - fact or ‘futurewash’?

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*Local government in England is responsible for many preventative actions, from youth work to encouraging households to reduce levels of waste. A high priority for prevention would imply maintained funding levels, or at least a decline no worse than overall. However, analysis suggests that their preventative spend declined from 32.4% of spend in 2010/11 to 30.6% in 2011/12 – a proportional fall of 5.5%, and a drop in cash terms of some 9.2%. This suggests that short-termism is taking precedence as budget cuts hit.*

### Rationale for a preventative approach

When public services are working effectively, those responsible for making decisions would ideally recognize and take into account the medium and long term consequences - whether those decisions involve day-to-day operational quandaries, or investments of many millions of pounds.

An impressive array of case studies show that, done well, prevention can be vastly effective – from cigarette cessation to reduced obesity; from restorative justice to youth work with pupils bored by school. Unfortunately, a strongly preventative perspective is hard to achieve. As portrayed by psychologist Daniel Kahnemann in his 2011 book *Thinking, Fast and Slow*, an instinct to deal with what is urgent can overpower a more reflective aim to deal with issues of long-term importance.

Pressure has, however, built up in the UK for a more determined approach to dealing with problems before they worsen. Key analyses include the National Audit Office’s ‘*Early Action: landscape review*’; Graham Allen’s *Early Intervention: Smart Investment, Massive Savings*; and *The Deciding Time: Prevent Today or Pay Tomorrow* by the Early Action Task Force (a group of stakeholders ranging from the Big Lottery Fund to the chief executive of the London Borough of Newham).

HM Government’s response to such reports – as with civil servants answering questions by a 27<sup>th</sup> February 2013 hearing by the Public Accounts Committee - has been to emphasize the priority it has attached to such agendas as the pupil premium, adoption, public health and Sure Start.

Yet publicity does not always reflect reality. With the environmental agenda, for example, it has been found that some high profile ‘greenwash’ corporate initiatives were rather smaller in effect than claimed. And so the risk is that ‘prevention’ receives well publicised ‘futurewash’ measures, but that taken overall, there are severe cuts to those actions with slower timescales to produce benefits.

### Assessing change in expenditure

Local government is responsible for many preventative actions, from youth work to encouraging households to reduce levels of waste. Consequently, trends in preventative spend by local authorities have useful messages to impart as to whether a prevention capability is being maintained or degraded.

There are no official statistics on preventative spend. Indeed the very definition of prevention is subject to debate. However, some basic principles are endorsed by sources as varied as the National Audit Office (*Early Action: landscape review* (2013)), the World Bank (*Social risk management* (Holzmann and Jørgensen (2000))) and new economics foundation (*The Wisdom of Prevention* Coote (2012)).

Each of these argues that a three way categorization should be considered:

- ‘Upstream’ action that ‘equips us to deal with setbacks and seize opportunities’, such as the resilience training advocated in Martin Seligman’s 2012 book *Flourish*;
- ‘Midstream’, ‘prompt interventions’, which entail detecting and responding to early signs of difficulty (such as a restorative justice intervention for a teenager caught shoplifting); and
- ‘Downstream’, ‘acute interventions’, which aim to reduce the impact of an already occurring problem (for example by the use of multi-systemic therapy for a family where a teenager has been involved in an assault, and the mother is alcoholic).

Despite the consensus, moving forward on this categorization is far from simple. In their recent report the NAO said ‘It is difficult to identify spending on early action given there is no consistent or agreed definition across departments and early action spending is rarely identified in accounts’. Instead, the NAO approach, quite naturally given the circumstances, was to try to get a handle on such preventative spend as is ‘specific’ and ‘readily identifiable’ according with any of the three categories.

This approach was used by the Early Action Taskforce in their 2012 report, who applied broad-brush categorizations to Public Expenditure Statistical Analysis (PESA) data, and estimated the proportion of preventative spend in public services as a whole to be of the order of 20 per cent.

This article adopts a similar methodology in looking for specific and readily identifiable spend on preventative activities, to produce a broad-brush estimation of trends.

The analysis covers expenditure over the three years 2009/10, 2010/11 and 2011/12, for those agendas that are within local authority control. Consequently it covers such prevention ‘flagship programmes’ as Sure Start, targeted family support, adoption services and Supporting People, but does not include any spending on education and police.

The analysis uses data on out-turn expenditure by service area, drawn from three different sources:

- RO data collected by the Department for Communities and Local Government;
- s251 data collected by the Department for Education; and
- PSSX data collected by the NHS Information Centre.

A simple yes/no categorization was applied to each line of expenditure within the relevant data sources depending upon whether it was identifiable as adhering to a preventative approach or not. Annex 1 sets out those areas that were categorized as ‘preventative’. Annex 2 sets out assumptions made to allocate expenditure when some spending categories were changed.

## **Results and implications**

Policy shifts and changes in what is perceived to be good practice will mean that individual categories of spend, such as teenage pregnancy services or spending on short breaks for disabled children, have varied greatly across years – as Annex 3 shows, several categories have seen expenditure rising by more than 30%; several others have seen expenditure cut by more than 30%.

Trends in aggregate spend are less volatile, however. The overall assessment under this approach is that local authority spending on prevention amounted to £18.7bn in 2009/10, £18.8bn in 2010/11, and £17.1bn in 2011/12. This implies a fall in prevention spending, in cash terms, of some 9.2% between 2010/11 and 2011/12, and after allowing for CPI inflation of 3.5% over the year 2011/12, the effects are steeper still.

The same analysis finds that preventative spend amounted to some 31.6% of spend in 2009/10; rose to 32.4% of spend in 2010/11; and declined to 30.6% in 2011/12 – which is a proportional fall of 5.5% compared to the previous year.

The shift towards spend on immediate problems has been of a similar magnitude for ‘social agendas’ such as children’s services, adult social care and community safety, compared to preventative on other issues such as transport maintenance and environmental services – see Annex 3 for more details. Both ‘social’ and ‘non-social’ prevention spend was reduced by an amount of the order of 9% in monetary terms.

### ***Discussion***

It could be argued that what counts is not so much the level of preventative expenditure, as the level of outcomes, and that if there is a steep increase in productivity in action with a preventative theme, then the level of required spending on prevention is less.

Certainly, one would expect those involved in making decisions to focus their share of preventative spend on the interventions that are most fruitful. Sharpened targeting of services is a distinct possibility, but this in turn can lead to unintended consequences, as the balance of peer group pressure shifts. For example Cordes et al (2009), an ethnographic study of teenage pregnancy in South London, found several instances where once one young person in a peer group had become pregnant, others soon followed.

Given resource pressures, one would also expect renewed efforts by local authorities to draw on “community social capital”, as shown by the continuation of an array of local libraries by volunteers replacing paid staff. However, the NCVO UK Civil Society Almanac shows that levels of volunteering have in general been relatively constant over the years, making a sharp increase in community social assets far from easy to achieve.

Another possibility is that a greater spirit of partnership working enters into the public sector, so that detrimental silos are broken down to meet common goals at a time of austerity. But as Mulgan (2005) emphasises, the silo mentality is hard to shift. Without trust and a determination to co-operate for the common good, tighter budgets can equally reinforce a ‘my organization first’ approach.

In short, the issue remains that the balance of spend is tilting away from preventative spend; and as planned budget cuts fall faster and harder, the expectation can only be that the balance will tilt further – with consequences left to the medium and long term.

## **Future directions**

The spending categories set out in Revenue Out-turn, S251 and PSSX returns are very far from perfect for the purposes of assessing preventative spend. They are only a start. The challenge for those interested in promoting the agenda is to develop measures that are more rigorous and detailed. Valuable research is indeed underway, not least a project by the London Borough of Camden. The aim here is to bring together insights from front-line workers and analysts of preventative spend, building upon the insights and methodologies developed by the National Audit Office.

Nonetheless it is clear that much more could usefully be done. I would cite three issues in particular.

First, looking deeper at what action on prevention is being undertaken by ‘mainstream’ staff. Currently the public sector has only weak knowledge as to what proportion of staff time is spent on what kinds of activity. Some basic timesheet data, for some areas, introduced in a non-burdensome way, is likely to be needed to rectify that information gap.

Second, more analysis on the contribution that cultural features such as local museums and libraries can play in maintaining the social fabric of communities. The value of community assets (whether Post Offices, libraries, or even pubs) can be taken for granted until they are at risk. The value of different perspectives can likewise readily be overlooked. Decisions by Somerset and Westminster councils to remove all funding from the arts will be unfortunate test cases for assessing the value of culture.

Third, do more to underpin a strong business case for maintaining levels of preventative spend. It is highly noteworthy that, in speaking to stakeholders, the NAO researchers found in HM Treasury ‘interest in the principle of early action, but caution regarding the robustness of the cost-effectiveness evidence for many early action interventions and concern that in some cases investment would be too speculative at a time of budget constraints.’

Analysis by the Young Foundation (Reeder and Aylott (2012)) found that an excellent financial rate of return can be achieved for the public purse in preventative work to reduce crime - 9% p.a. or so for four years or more on top of the original investment, plus major benefits for society. This does, however, fall short of a spectacular rate of return. So more evidence is needed to firmly demonstrate what can be achieved by a preventative approach – and the future benefits that are rapidly being lost.

## **Acknowledgements**

The author is grateful for comments from Joe Farrington-Douglas, Will Horwitz, Ben Jupp, David Leigh, and other participants at roundtable discussions on 19<sup>th</sup> February 2013 and 10<sup>th</sup> April 2013 organized by the Early Action Task Force.

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## Annex 1 Areas of expenditure over £50m p.a. in 2011/12 categorised as ‘preventative’

<i>Adult social care</i>	<i>Environmental protection</i>
Supporting people ancillary expenditure	Coast protection & defences against flooding
Supported accommodation	<i>Fire &amp; rescue</i>
Home care or day care	Community fire safety
Equipment and adaptations	<i>Housing services</i>
Treatment for substance abuse	Homelessness: Prevention
<i>Children's services</i>	Private sector housing renewal
Adoption services	Supporting People
Children placed with family and friends	<i>Planning &amp; development</i>
Direct payments	Community development
Family support services	Environmental initiatives
Home care services	Economic development
Leaving care support services	Trading standards
Respite for looked after & disabled children	<i>Regulatory services</i>
Special guardianship support	Animal and public health
Sure Start	Environmental protection
Targeted & universal services for young people	Food safety
Youth offender teams	<i>Transport</i>
<i>Community Safety</i>	Routine maintenance – roads
Crime Reduction	Road safety education and safe routes
Safety Services	Structural maintenance - roads and bridges
<i>Corporate core</i>	<i>Waste management</i>
Emergency planning	Recycling
	Waste minimization

## Annex 2 Assumptions in allocating expenditure

- Sure Start expenditure 2009/10 estimated from 2010/11 data and from change in DfE grant levels;
- Youth work and student support expenditure 2009/10 estimated from 2010/11 s251 data and from change in Revenue Out-turn figures for broader categories;
- Youth custody expenditure 2011/12 scaled down from 2010/11 figures in line with changes in custody levels, remaining youth justice expenditure allocated pro-rata to 2010/11 levels;
- Road maintenance expenditure split out with claims and unplanned repairs in separate categories.

## Annex 3 Trends in prevention spend by service sector

	2009/10	2010/11	2011/12
Total spend – preventative share	31.6%	32.4%	30.6%
Total ‘preventative expenditure’ (£bn)	18.7	18.8	17.1
Adult social care - preventative share	35.0%	35.4%	34.3%
Children’s services - preventative share	48.5%	47.5%	44.3%
Culture & sport – preventative share	0.0%	0.0%	0.0%
Fire and rescue – preventative share	13.6%	12.9%	12.5%
Housing – preventative share	43.9%	46.3%	38.7%
Regulation & planning – preventative share	66.6%	67.0%	62.7%
Transport – preventative share	23.5%	25.2%	26.5%
Waste & environment – preventative share	14.6%	17.2%	17.4%
Miscellaneous – preventative share	16.5%	16.0%	14.0%

*Individual agendas showing greatest and least changes in local authority expenditure (among agendas with spend over £50m) (2009/10 to 2011/12)*

<i>Category</i>	<i>Change in spend</i>
Special guardianship support	92.6%
Supported and other accommodation (learning disabilities)	92.3%
Structural maintenance - principal roads (excluding claims)	74.1%
Supported and other accommodation (older people)	48.8%
Short breaks for disabled children	46.9%
	<i>Change in spend</i>
Economic development	-31.4%
Animal and public health	-32.8%
Supporting People	-33.6%
Teenage pregnancy services	-45.1%
Misc. private sector housing renewal	-67.9%