The value of prevention
Report prepared for St Giles Trust

August 2013
Overview

- Frontier Economics was commissioned by the St Giles Trust to carry out a study exploring the potential benefits of preventative interventions aimed at troubled families. St Giles Trust is currently funded by Barclays to deliver support to 100 troubled families in Southwark and Tower Hamlets through the CAFÉ Gamechangers project.

- In carrying out this study we have reviewed a number of academic studies, publications by government departments and third sector organisations. We were also able to carry out a site visit at St Giles Trust and interview staff delivering services to troubled families as well as some of the recipients of those services.

- This report summarises our best interpretation of the literature we have reviewed to date. It also contains some qualitative case studies compiled during our visit at St Giles Trust which illustrate the impact charities can make in the lives of troubled families.

- The slide pack is structured as follows:
  - We describe the role that charities can play in supporting troubled families and the particular work being carried out by St Giles’ CAFÉ Gamechangers project
  - We highlight the costs of troubled families – in particular the costs to the Exchequer of reactive spending, spending that deals with the consequences of troubled families
  - Finally, we highlight the substantial benefits that can arise when troubled families are impacted on by successful interventions
The CAFÉ Gamechangers Project is an excellent example of how charities can make a difference

- This is project financed by Barclays Bank and delivered by the St Giles Trust. The project was initially run as a pilot in the rural areas of Mid-Kent, but due to its overwhelming success its services have been expanded.

- The project was evaluated by the European Institute of Social Sciences who found that it was very beneficial:

  “Without the support of the CAFÉ project workers, significant demands would have been made on public services... The project should be extended over the whole of Kent”

  Linda Pizani Williams, Director European Institute of Social Services

- The CAFÉ Gamechangers Project delivered by the St Giles Trust was expanded and now helps families in the London boroughs of Tower Hamlets and Southwark.

- St Giles aims to reach the most marginalised families and help break the cycles of crime, poverty and unemployment they often face.
The CAFÉ Gamechangers Project in Tower Hamlets and Southwark

- To date, St Giles has supported over 100 hard to reach families with complex needs. Many of these families have been through a wide range of issues such as poor housing, overcrowding, domestic abuse, substance misuse and child neglect/abuse.

- The support offered by St Giles is holistic. Gamechangers is innovative drawing on a combination of St Giles experience working with gangs allied with conventional family support workers. This fits with all the latest thinking in the Gangs world, recognising the role of broader family support in gang exit.

- An important part of the work of St Giles’s key workers is to build up an open and honest relationship with the families affected. This allows them to gain an in-depth understanding of the issues at play. The interventions delivered by St Giles are flexible and tailored to each family’s needs, driven by the need each individual family. St Giles use a 1:1 mentoring approach targeted at the most vulnerable young people with a family support approach for parents and siblings.

- The support provided covers issues such as housing, finance, managing debts, accessing services, substance misuse, domestic abuse, family mediation, parenting skills and discussions with schools.

- In Tower Hamlets, CAFÉ has helped the hard-to-reach Bangladeshi community access services where they were unable to due to the stigma, language and cultural barriers associated with government supporting agencies.
We know that preventative interventions such as Café have a strong impact

- There is ample evidence in the literature that investing in prevention can dramatically improve the outcomes of troubled families and deliver substantial savings to the public purse as well as wider economic benefits.

- A number of studies have shown large improvements in outcomes. The percentage reduction in issues following intervention is shown in the ‘effect of intervention’ chart.

![Effect of intervention chart]

Source: DCLG (2012)

In order to value such improvements in outcomes one needs to understand in-depth:

- the direct financial costs of different social ills (e.g. police time, emergency health treatment costs etc.); and

- the wider economic costs of these ills (e.g. reduced lifetime earnings, employment and tax contributions and higher benefit dependency due to poor education)
There can be substantial cost savings from preventative measures

- The literature shows that the potential savings associated with prevention can be very substantial.
- The highest potential savings arise when individuals are diverted away from a cycle of crime: career criminals impose the highest costs on society in excess of £1m in net present value terms – found in a meta study in the US (see below).
- Preventing other social ills such as drug and alcohol dependencies, child abuse and neglect, teenage pregnancy and school exclusion are also associated with considerable savings.

<table>
<thead>
<tr>
<th>Social Ills</th>
<th>£ Millions</th>
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<tbody>
<tr>
<td>Career Criminal</td>
<td>1.2</td>
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<tr>
<td>Drug and Alcohol Dependency</td>
<td>0.4</td>
</tr>
<tr>
<td>Child Abuse and Neglect</td>
<td>0.1</td>
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<tr>
<td>Teenage Pregnancy</td>
<td>0.0</td>
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<tr>
<td>School Exclusion</td>
<td>0.0</td>
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Diverting one youth from a path of crime could save society a multiple of what CAFÉ Gamechangers costs.

Based on a US meta study we see that the costs of a career criminal are as follows.

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<td>Police</td>
<td>Opportunity costs of criminal’s time in prison</td>
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<tr>
<td>Medical costs</td>
<td>Courts</td>
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<tr>
<td>Pain and suffering</td>
<td>Prisons</td>
<td></td>
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St Giles supports over 100 troubled families at a cost of £2,000 per family.

* Cohen and Piquero (2009). Discount rate used 3%. Meta study based mainly on US studies. USD/GBP exchange rate of 0.65 correct as of 05/08/2013

...making the case for preventative action compelling
• Café and its support for troubled families
• The costs of troubled families
• The benefits from supporting troubled families
• Conclusions
• Annex
The needs of troubled families vary a great deal

- The needs of troubled families vary significantly. The typical problems that plague troubled households include:
  - employment problems;
  - domestic violence;
  - physical and mental health issues;
  - drug and alcohol abuse; and
  - child protection issues.

- Due to the diverse range of issues faced by these families, a tailored collection of services need to be made available to each family with careful consideration of each family’s specific needs. Through encouraging local agencies to promote lasting, durable change, the troubled families programme identifies the need for bespoke support to meet the needs of troubled families (DCLG, 2013b).
Different types of interventions are required

- Families with multiple issues face challenges that often require several, distinct interventions. These interventions can differ significantly, from reactive interventions with immediate results to preventative early years interventions with significant long term gains.

- **Later years interventions** can lead to the immediate benefits of less crime, more employment, less welfare dependency as well as potential long term benefits if maintained.

- **Early years interventions** can yield significant long term benefits by getting to the root of many later social problems.
Charities have a crucial role to play in supporting troubled families

- With government resources strained by the current economic situation, the need for effective private funding is greater than ever.

> “We need to attract new sources of finance to back the best proven interventions… investing in early intervention can deliver real savings to government and greater benefits to society”, Charlie Green, Private Equity Foundation

- Charities can leverage funding from private sector organisations. Their ability to be flexible and adapt their models to match the vision of the private sector can be attractive and draw investment, additional to that made by government.

- Charities have in depth understanding of the local areas they operate in and experience working in the community. This allows them to identify and engage with those most in need and help join up the services provided by other organisations.
Charities have a crucial role to play in supporting troubled families II

- Charities are integral to helping the most neglected and impoverished parts of society:
  - They are neither stigmatised as government nor are they restricted by statutory responsibility. This allows them to identify those most in need and establish relationships and trust with a family easier than a government agency.
  - Having built the trust, they are better able to get to the root of the problem that a particular family faces.
  - Their flexibility allows them to tailor their services to each family’s needs or to signpost families to other services.

- Charities are particularly effective in encouraging the local community to support troubled families and provide on-going assistance when statutory services are exhausted (Barclays Wealth, 2011).

Charities can complement the services provided by government agencies by helping those that government cannot reach.
The CAFÉ Gamechangers Project is an excellent example of how charities can make a difference

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- The project was evaluated by the European Institute of Social Sciences, who found that it was very beneficial:

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- The CAFÉ Gamechangers Project, delivered by the St Giles Trust, was expanded and now helps families in the London boroughs of Tower Hamlets and Southwark.

- St Giles aims to reach the most marginalised families and help break the cycles of crime, poverty and unemployment they often face.
Referrals to St Giles come from a variety of sources

The number of local service providers who refer cases to St Giles shows the importance of the organisation for local agencies, and demonstrates that St Giles does not obstruct government agencies, but provides essential, complimentary services.
The CAFÉ Gamechangers Project in Tower Hamlets and Southwark

- To date, St Giles has supported over 100 hard to reach families with complex needs. Many of these families have been through a wide range of issues such as poor housing, overcrowding, domestic abuse, substance misuse and child neglect/abuse.

- The support offered by St Giles is holistic. An important part of the work of St Giles’s key workers is to build up an open and honest relationship with the families affected. This allows them to gain an in-depth understanding of the issues at play.

- The interventions delivered by St Giles are flexible and tailored to each family’s needs, driven by the needs of each individual family. St Giles use a 1:1 mentoring approach targeted at the most vulnerable young people with a family support approach for parents and siblings.

- The support provided covers issues such as housing, finance, managing debts, accessing services, substance misuse, domestic abuse, family mediation, parenting skills and discussions with schools.

- In Tower Hamlets, CAFÉ has helped the hard-to-reach Bangladeshi community access services where they were unable to due to the stigma, language and cultural barriers associated with government supporting agencies.
The CAFÉ Gamechangers Project in Tower Hamlets and Southwark II

- To date, the project has achieved very positive outcomes including (not limited to):
  - finding temporary accommodation for 23 families and permanent accommodation for 10 families and saving 17 families from eviction;
  - supporting 20 families with improving their children’s school attendance;
  - supporting 15 clients to access drug support services and 6 clients to access alcohol support services.
  - training people to NVQ level 3 in Information Advice and Guidance (IAG) groups, with 20 local people (under 35) gaining the qualification.
  - supporting clients to find employment (see figure).

Although it is too early to assess the monetary benefits of these interventions, the case studies that follow give an indication of the potential economic benefits of the work carried out by St Giles Trust.
Case study 1: Tower Hamlets

The issues

- SB, a Bangladeshi woman was referred to the CAFÉ Gamechangers service by her local school. She has five children and divorced her husband because of domestic violence. She has since suffered from depression and has withdrawn from her own children.
- All of this has affected her children badly with her eldest son becoming physically abusive towards his mother. Further, her home was overcrowded and her children’s school attendance record was poor.

The intervention

- A care plan was written up for SB, to help support her achieve short and long term goals. On-going support is provided to give the family some direction and support to a better life.
- St Giles supported SB’s son, his wife and child to find alternative accommodation. This has since eased the overcrowding issue.
- At present St Giles are supporting SB’s son to find employment to help support his young family.

Potential benefits

- A persistently truant child has a potential cost to the individual in terms of lost earnings and to society in terms of crime, health and social services of £44,468, with costs divided roughly 50:50 between the individual and the rest of society (Brookes et al. 2007). Reduce truancy creates considerable economic value.
- Income support and Job Seekers Allowance for the average Troubled Family are approximately £5,000 and £2,500 a year respectively. Interventions that promote employment can reduce these costs considerably or even entirely (DCLG, 2013b).
Case study 2: Tower Hamlets

The issues

- CA was referred to CAFÉ Gamechangers because she was depressed and finding it hard to cope with her children’s behaviour.
- CA is a mother of two boys, the eldest recently out of prison, and the youngest suffering from ADHD.
- Upon meeting CA staff at St Giles learned that, not only was she struggling as a parent, she also had issues around finances.

The intervention

- St Giles helped CA’s eldest son (an ex offender) improve his education and find employment.
- St Giles staff have also provided financial/budgeting advice to the family and encouraged CA to link in with Child and Adolescent Mental Health Services (CAMHS).
- CA was also supported when her youngest son was recently excluded for 5 days.

Potential benefits

- Helping ex-offenders find work can reducing their likelihood of re-offending which is very costly. The cost of keeping a male in prison for a year alone exceeds £28,000 (Interface Enterprises Cost Calculator) while career criminals cost society around £1.2m (Cohen et al., 2010).
- St Giles supported CA after her sons exclusion, engaging closely with the school and ensuring he remained in school. Avoiding permanent school expulsion is valued at around £64,000 (Brookes et al. 2007). This includes lost future earnings from poor qualifications, and the costs to society in terms of crime, health and social services.
Diverting just one young person from a path of crime could save society a great deal of money

Cohen and Piquero (2009) estimate that 4% of at-risk youth become career criminals and 23% of at-risk youth have one police contact by age 26.

St Giles supports over 100 troubled families at a cost of £2,000 per family.

The project would be saving society a great deal of money if it diverted only one youth from a path of crime.
● Café and its support for troubled families
● The costs of troubled families
● The benefits from supporting troubled families
● Conclusions
● Annex
There are up to 400,000 troubled families in England

What is a troubled family?

● There is no hard and fast definition for who a troubled family is. According to the Department for Communities and Local Government (DCLG) the following characteristics that define them:
  □ Family members are involved in crime and anti-social behaviour;
  □ Family have children not in school;
  □ Family has an adult on out of work benefits; and
  □ Family causes high costs to the public purse.

How much does it cost to deal with troubled families?

● Dealing with troubled families is very costly. Local authorities estimate that spending on troubled families is up to 10 times higher than spending on ‘average’ families.

● The total cost of these families to the taxpayer is estimated at £9bn. Most of the spending is reactive – treats the problem once it has occurred rather than preventing it from occurring.

What is government doing about this?

● The government has committed to investing a further £448m in helping troubled families in December 2011 with the Troubled Families programme set to be expanded further, with HM Treasury announcing an additional £200 million to be invested in 2015 to extend the programme from the original 120,000 to 400,000 high risk families.
The overall cost to the public purse is in the region of £9bn

- At present, the government is more likely to respond reactively with reactive spending eight times greater than spending on targeted interventions. This reactive focus is sub-optimal and a more preventative emphasis is needed to combat the perpetual cycle of disadvantage.

- The government’s troubled families programme will help redress this imbalance somewhat by attempting to reduce long term costs to national as well as local government through the promotions of preventative intervention.

...most of which is reactive

Source: DCLG (2013b)
Reactive spend is focused on protecting children and criminal justice costs

Reactive spending = £8bn

- **Protecting children**: includes the costs of caring for children in troubled families as well as the costs of social care and child support.
- **Crime and Justice**: includes the costs of detainment, court proceedings and for the police, as well as the costs associated with criminal damage, assault and drug-related offences.
- **Health**: covers alcohol and drug dependence and mental health service provision costs, among others.
- **Welfare**: comprises the cost of welfare provision for troubled families but does not include child benefit or child and working tax credits.
- **Education/early years**: includes the costs of truancy and public exclusion for troubled pupils as well as the costs of behavioural and emotional support for those in need of further support in troubled families.

Source: DCLG (2013b)
Prevention spending targets education, health and protecting children

Prevention spending = £1bn

- **Education/early years**: includes preventative work with young individuals, such as youth work and the provision of guidance; also includes early intervention measures, such as Children’s centres.
- **Protecting children**: consists predominantly of the cost of family intervention and child protection services.
- **Health**: includes nutritional and health programmes, such as early years food/milk and teenage pregnancy nurses; also includes broader health cost associated with troubled families, such as health visitors and drug and substance misuse.
- **Welfare**: includes preventative programmes such as the European Social Fund’s programme for families with complex needs and part of the UK Department for Work and Pensions Work programme.
- **Crime**: includes the costs of parenting orders and teenage knife, gun and gang crime.

Source: DCLG (2013b)
Significantly more is spent on troubled families than on ‘average’ households.

Some local authorities estimate that they spend up to **10 times** more on troubled families than on ‘average’ families.

**Examples of local authority expenditure:**

The Metropolitan Borough of Solihull spent 18% of its total expenditure on 3% of its families last year, which equates to £5,217 for an ‘average’ family and £46,217 for a troubled family (DCLG, 2013c).

Cheshire West Unitary Council spends approximately £76,190 on each troubled family, almost ten times the amount it spends on ‘average’ families £7,795 (DCLG, 2013c).

The London Borough of Wandsworth studied the costs to the public purse of 17 troubled families before and after a family intervention. They found that costs were ten times higher before the intervention than after (DCLG, 2013c).

Successful interventions that can support families out of their troubled status could lead to substantial savings.
- Café and its support for troubled families
- The costs of troubled families
- The benefits from supporting troubled families
- Conclusions
- Annex
There are broadly three categories of early life interventions

<table>
<thead>
<tr>
<th>Home visitation programmes</th>
<th>Early parent training programs</th>
<th>Daycare/school based programmes</th>
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</thead>
<tbody>
<tr>
<td>Typically designed to affect maternal, child and family functioning, focusing largely on birth related factors as well as emphasising cognitive development and the physical health of the child.</td>
<td>Normally emphasise the importance of developing a child’s emotional and social strength as well as offering training to parents to ensure appropriate disciplining of children.</td>
<td>Similar to home visitation and early parent training programmes but primarily delivered in a school setting with emphasis on the child’s social and intellectual development.</td>
</tr>
<tr>
<td>● Elmira home visitation programme, New York</td>
<td>● Incredible Years programme</td>
<td>● High/Scope Perry Preschool programme</td>
</tr>
<tr>
<td>● Busselton Project</td>
<td>● Triple P-Positive Parenting programme</td>
<td>● The Carolina Abecedarian Study</td>
</tr>
<tr>
<td>● The Infant Health and Development Programme</td>
<td>● Parent-Child Interaction Therapy</td>
<td>● The Parent-Child Development Centres</td>
</tr>
</tbody>
</table>

A short description of these programmes is provided in the Annex
These types of programmes have been shown to deliver considerable benefits

There is substantial evidence linking child outcomes at age 3 to later childhood and adulthood development in several areas, including:

- **Crime and anti-social behaviour:**
  Exposure to criminal activity and violence in the home has a negative influence on infant development and often leads to the continuation of criminal activity and anti-social behaviour through generations (Allen Review of Early Intervention, 2011).

- **Education:**
  Cognitive and educational development is continuous from birth and not upon entry to formal education, as such poor parenting frequently causes low educational attainment and diminished future opportunities (Allen Review of Early Intervention, 2011).

- **Health:**
  Medical care and birth experience have been shown to be related to later health outcomes. Early intervention can prevent the development of physical and mental health problems that regularly perpetuate cycles of dysfunction (Hobcraft and Kiernan, 2010).

- **Employment:**
  Intervention can forestall the perpetuation of disadvantage and lead to increased educational attainment, decreased anti-social behaviour and increased employment opportunities (Action for Children, 2011; (Allen Review of Early Intervention, 2011).
A poor family environment impairs child development

- Issues such as domestic violence, mental and physical health problems, poor social and emotional skills, and separation are common in troubled families.
- Troubled families often have long-standing problems that carry on into the next generation, repeating the cycle of disadvantage.
- Once established, these problems can continue through the various stages of a child’s life and significantly hinder their development.

<table>
<thead>
<tr>
<th>0-3 years:</th>
<th>4-15 years:</th>
<th>16+ years:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Premature births increase the risk of cognitive and neuro-motor impairments in children (Larroque 2010)</td>
<td>• Very late or no antenatal care is negatively associated with health outcomes at age 5</td>
<td>• Underdevelopment, low bodyweight and ill health in childhood are linked to low educational attainment at age 16 (Washbrook, 2010)</td>
</tr>
<tr>
<td>• Low birth weight increases the risk of early growth retardation and developmental delay (WHO, 2011)</td>
<td>• Negative parenting is associated with poor behavioural outcomes at age 5 (Hobcraft and Kiernan, 2010)</td>
<td>• Boys deemed to be ‘at risk’ at the age of 3 have 2.5 times as many convictions as those assessed ‘not to be at risk’, by the age of 21 (Dunedin, 1996)</td>
</tr>
<tr>
<td>• By the age of 3, extreme neglect can leave to abnormal development in a child’s brain with the limbic system (which governs the emotions) 20–30 per cent smaller ((Allen Review of Early Intervention, 2011))</td>
<td>• Poor cognitive development at age 5 leads to a significant reduction in educational outcomes at age 26 (Feinstein, 2000)</td>
<td>• Aggressive behaviour at 8 years old is related to criminal activity and violence at the age of 30 (Farrington et al., 2006)</td>
</tr>
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</table>
The cycles of inter-generational dysfunction can be broken through early intervention programmes

- By ensuring that children have basic emotional and social skills they will be able to develop at important stages in their life. The establishment of basic emotional and social skills can:
  - **School**: lead to improved engagement with others and greater progress in speech, memory, motor skills and concentration.
  - **Work**: provide individuals with the capacity to enter the labour market and understand the social, health and emotional benefits of work.
  - **Parenthood**: enable individuals to build and sustain relationships and learn how functioning family operates (Allen, 2011)

- The benefits of intervening early are substantial and outweigh those of late intervention (Allen, 2011).

- The importance and impact of early years interventions are shown on the following pages, with these benefits based on three key elements:
  - child outcomes at 3 years old are strongly related to outcomes in later life;
  - early intervention programmes can improve outcomes for children by age three; and
  - related outcomes later in life have significant private and social benefits such that investment in early intervention can generate significant benefits to the individuals affected and society as a whole.
Benefits of early years intervention I

Early years interventions can have significant impacts on an individual's development from birth to the later years of their life:

0-3 years

- The promotion of a healthy family functioning leads to positive impacts on child cognitive development, language development, and social and emotional development up to the age of 3 (Mathematica Policy Research, 2002).
- Early intervention by specially trained nurses from early pregnancy until the child is 2 have been proven to prevent child maltreatment (The Lancet, 2008).
- Good home learning environments have been proven to improve a child’s cognitive development significantly (CMPO (2006); Hansen (2010); Melhuish, Sylva, Sammons, et al (2008); Sammons et al (2004)).
- Educationally oriented interventions for children under 3 have shown significant positive effects in 70% of those studies reviewed by Benasich et al. (1992) that focus on disadvantaged families.
Benefits of early years intervention II

4-15 years:

- Better maternal health is positively associated with development at age 5 and greater parental warmth and sensitivity has been shown to be related to better development and health outcomes at age five (Washbrook (2010); Hobcraft & Kiernan (2010)).

- Support for vulnerable young mothers has been shown to provide savings for high risk families by the time the child was age 15 by reducing welfare payments, increasing tax revenues, lowering crime rates and improving physical and mental health outcomes (Karoly et al, 2005).

- When children receive enriched childcare services from birth to age five there are positive effects on educational attainment that persist at least until the age of 21 (Campbell et al (1994)). Furthermore, by the age 30 showed treated individuals generally have significantly more years of education (Campbell et al (2012)).

- Temple et al.(2000) find that the program reduced high school dropout rates by 24%, and that the size of the effect grows with the time that children spent in the programme.
Benefits of early years intervention III

16+ years:

- A range of outcomes at age 5 (development, weight and ill-health) are linked to educational attainment at age 16 (Washbrook (2010)).

- Researchers using data from the Chicago Child-Parent Centres programme on participants up to age 21 estimated a return to society of early interventions of $7.14 per dollar invested (Reynolds et al (2002))

- Early intervention projects have been found to have positive effects on test scores, grades and high school graduation rates, as well as a positive effect on earnings and negative effects on crime rates and welfare use Schweinhart (1993)

- Campbell et al.(2012), who show that individuals who received early intervention treatments have significantly more years of education.

- The review of early childhood intervention in Cohen et al (2010) found the lifetime costs imposed on society due to an at-risk childhood to be significantly diminished in early intervention programs, with sizable potential savings in the areas of crime/delinquency, education, alcohol and drug abuse, smoking, child abuse and neglect, physical health problems, or teenage pregnancy.
The evidence suggests that later life interventions can also deliver very good outcomes

- A number of studies (see DCLG 2012) have shown improvements in outcomes following interventions.

- These show reductions in:
  - anti social behaviour;
  - domestic violence;
  - truancy/exclusion/poor behaviour at school;
  - risk of homelessness; and
  - many others including involvement in crime, child protection issues, domestic violence, drug misuse, alcohol misuse, employment/training problems.

Impact analysis based on matching shows that families that are treated are twice as likely to reduce anti social behaviour than those that didn’t. There is further evidence that the outcomes are sustained and not one off.
These could potentially deliver substantial savings:

- According to a US study by Cohen et al. (2010) \(^6\), preventing someone from becoming a career criminal has a net present value of £1.2m. They further find that:
  - Preventing someone from developing drug and alcohol dependency is valued at £0.5m
  - Preventing child abuse and neglect is valued at £0.2m (per person)
  - Preventing teenage pregnancy is valued at £0.1m (per person)
- Walby (2009) \(^7\) puts the total cost of domestic violence at £15.7bn. There are around 300,000 instances of domestic violence, i.e. average cost per episode is £50,000.
- Research on the cost of NEETs (Coles et. al 2010) shows lifetime costs of £56,000 per person \(^8\).
- Brookes et al. (2007) \(^9\) put the lifetime costs of school exclusion at £64,000 and the lifetime costs of a persistent truant at around £45,000.
- The costs avoided through the prevention of children and young people entering care can be up to £130,000 per family \(^10\) depending on the type and length of the placement (McDermid and Holmes 2013).

\(^6\) Lifetime costs discounted to the date of birth using 3% discount rate. Costs converted from US Dollars to UK Sterling using exchange rate data from www.xe.com accessed on 31 July 2013.
\(^7\) Costs in 2008 prices.
\(^8\) Lifetime costs in 2009 prices, costs discounted using a real interest rate of 3.5%.
\(^9\) Lifetime costs in 2005 prices, costs discounted using a real interest rate of 3%.
\(^10\) Costs in 2012 prices.
Career criminals are very costly to society

Cohen and Piquero (2009) estimate the cost imposed by individuals in a cohort of youth through age 26. They estimate these costs to be in the region of £1.2m-£2.0m.

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Cohen and Piquero (2009) estimate that the costs imposed by one time offenders to be around £51,000.

*Discount rate used 3%, USD/GBP exchange rate of 0.65 correct as of 05/08/2013
A summary of the potential savings

- The literature shows that the potential savings associated with prevention can be very substantial.
- As we have shown, the highest potential savings arise when individuals are diverted away from a cycle of crime: career criminals impose the highest costs on society in excess of £1m (4) in net present value terms.
- Preventing other social ills such as drug and alcohol dependencies, child abuse and neglect, teenage pregnancy and school exclusion (5) are also associated with considerable savings.


(5) Brookes et al. (2007), costs discounted to 2005 using 3% discount rate.
● The costs of troubled families
● The benefits of action
● The role for charities
● Conclusions
● Annex
Conclusions

- It is clear that troubled families are costly to themselves, those around them and the public purse.
- Despite this most spending on troubled families is still focused on reacting to problems rather than preventing them from occurring.
- Our review of the evidence has shown that prevention can deliver considerable benefits for the families themselves, society as a whole and the taxpayer.
- There is ample evidence in the literature that investing in prevention can dramatically improve the outcomes of troubled families. The literature shows that targeted programmes can deliver reductions in social ills such as anti social behaviour, domestic violence, crime and others.
- Early interventions can improve child outcomes in the areas of nutrition, social and emotional development and communication. Improvements in these areas are associated with better outcomes over the lifetime.
- The financial savings that could be realised through these interventions are very significant.
Conclusions continued

- Troubled families frequently require simultaneous support from a range of agencies due to the multiple issues they face.
- Support from local and national government is essential for troubled families. However, the third sector can complement government action, augmenting services where necessary and helping those that government cannot reach.
- Charities are an integral part of dealing with society’s toughest problems. They can help link and coordinate organisations’ interventions, identify those most in need, as well as act as a key source of service provision themselves.
- With government resources strained by the current economic situation, the need for effective private funding is greater than ever.
- Charities can leverage funding from private sector organisations.
- Their flexibility, understanding and experience of the local environment allows them to reach those most in need and complement the services provided by government agencies.
• Café and its support for troubled families
• The costs of troubled families
• The benefits from supporting troubled families
• Conclusions
• Annex
**Description of early intervention programmes**

- **Elmira home visitation programme, New York:** The nurse home visitation program developed and evaluated by Olds et al. (1986, 1997, 1998) was carried out in Elmira, New York. The control group received standard prenatal care and routine wellness visits while the treatment group received home visits from pregnancy through to the child’s second birthday. Results show that mothers who received pre- and postnatal visits had fewer subsequent births and arrests. The children in the treatment group faced fewer instances of abuse and neglect, had fewer arrests, smoked fewer cigarettes, consumed less alcohol and had fewer sex partners.

- **Busselton Project:** The Busselton Project (Cullen & Cullen, 1996) found that home-visited children who received preschool interventional therapy had fewer reported neurotic and depressive symptoms later in life, were more likely to have undertaken a university degree or diploma and were less likely to smoke or be obese.

- **The Infant Health and Development Programme:** The Infant Health and Development Program (McCormick et al., 2006) found that pre-school education had a long-term positive impact on educational achievement and risky behaviour for a diverse group of children at risk of having developmental problems. Children who had a low birth benefited suggesting that some biological or educational factors can inhibit the effects of early education.
...continued

- **Incredible Years programme:** Early parent-training program attempts to strengthen parent competencies in monitoring and properly disciplining their children. Mothers who received this intervention were found to use less harsh discipline, give fewer critical remarks and were more involved in their child’s education while the children were found to be more socially competent and exhibit fewer conduct problems. (Webster-Stratton, 1998).

- **Triple P-Positive Parenting programme:** The Triple P Program advises parents how to use positive and nonviolent techniques to deal with their children’s behavioural problems. Six months after training, lower levels of disruptive child behaviour, lower levels of dysfunctional parenting and less relationship conflict were recorded (Sanders et al., 2004).

- **Parent-Child Interaction Therapy:** Brestan et al. (1997) found that parents reported improvements in their children’s behaviour 16 weeks after intervention, with parents highlighting that behaviour problems were not only fewer but less problematic.

- **High/Scope Perry Preschool programme:** Schweinhart (2007) used a sample of over 100 young African American children living in poverty. He assigned half to a high-quality preschool program and the other half to no program at all. Those who were in receipt of interventions significantly surpassed those in the no-program group, earning more income, having higher rates of employment and home ownership, and far fewer lifetime arrests. The estimated economic return to society was $17.07 per $1 invested.
...continued

- **The Carolina Abecedarian Study:** Masse et al. (2002) evaluate a preschool program that gave children an intensive education during their full-day of child care. They found significant benefits particularly in terms of decreased schooling costs, increased lifetime earnings and decreased costs related to smoking.

- **The Parent-Child Development Centres:** The Child-Parent Centre program provides comprehensive family and education services from preschool to third grade. The outcomes of such interventions are significant and often endured into adulthood. The main outcomes were increased educational attainment, reduced incarceration, and improved health and economic well-being (Reynolds et al., 2007).
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