

The Early Action Task Force Evidence to the Finance committee – Welsh government draft budget 2017 – 18

The Early Action Task Force

The [Early Action Task Force](#) is a UK wide leadership group working across the sectors for a society that prevents problems from occurring rather than one that deals with the consequences. It has published "[The Triple Dividend](#)" and "[The Deciding Time](#)" and was behind ideas like Ten Year Planning and early action as a statutory duty.

The Task Force coined the term "early action" to describe any service or activity that forestalls a problem. It is a **need reduction strategy**. We believe that early action should be the guiding principle shaping the way in which government and civil society spend money, deploy resources and judge success. It should be at the heart of the government's budget making process.

Readiness: the purpose of public spending in Wales.

The purpose of public spending in Wales should be to build **readiness**: Our children should be ready to learn at Primary school and to thrive in Secondary. They should be job-ready when they leave school and, when the time comes, ready and able to be good parents. Because we all experience difficulties at some point in our lives, we should also be ready and able to manage adversity, to cope with losing a job or a relationship, to rebuild after illness or bereavement and to adapt to change.

The infographic is set against a pink background with a dark pink curved line at the bottom. It features four white-bordered boxes with rounded corners. The first three boxes are arranged horizontally, and the fourth is positioned below them on the right side.

- Primary Prevention:** Includes a circular logo with icons for a person, a lightbulb, a heart, and a person with a plus sign, surrounded by the text 'happier @ work'. The text below describes a workplace wellbeing scheme by Kings Health Partners.
- Secondary Prevention:** Includes a photo of a woman in a blue shirt talking to an elderly man in a white shirt. The text below describes a 'Call and Check' service by Jersey Post.
- Tertiary Prevention:** Includes a photo of a man in a high-visibility vest using a power drill on a wooden structure. The text below describes a social enterprise by Lancashire Constabulary.
- Acute Spending:** A separate box at the bottom right with text describing long-stay institutions and acute services.

We picture this “**Ready for everything**” community at the top of a cliff. Here **Primary Prevention** prevents or minimises the risk of problems arising. Usually these are universal services like health promotion or a vaccination programme. Even here things will sometimes go wrong. **Secondary Prevention** targets those at risk of, or showing early signs of, a particular problem. A Literacy Catch Up scheme or a detached youth work project in a neighbourhood where many young people are on the streets might be examples of secondary prevention.

Further down the cliff face services become more targeted at those with more developed problems. **Tertiary Prevention** stops a problem getting worse and reverses the direction of travel. Work with “troubled families” or preventing reoffending are examples of tertiary prevention. Finally **Acute Spending** manages the impact of a strongly negative situation but does little to tackle the wider consequences or reduce the likelihood of a recurrence - prisons for example, or acute hospital care.

This approach to public policy yields three benefits: Its popular, everybody wants to be happy, healthy and secure at the top of the cliff, we are cheaper when we are there and we are contributing more, economically and socially. This is the **Triple Dividend**: Thriving lives, costing less, contributing more.

There are many examples of [successful early action programmes](#) in Wales and across the UK delivering this triple dividend.

Three recommendations for the Welsh government draft budget.

Classify spending plans on the spectrum from cliff top to bottom.

We cannot plan a transition towards a preventative society in Wales without knowing exactly where we start. The National Audit Office Landscape Review on Early Action published in January 2013 used the classification categories on the cliff diagram above and arrived at some approximate but useful baseline figures. It might be the model. Building further on this work the Task Force published a guide on [How to Classify Early Action Spend](#).

The results of the classification exercise can then provide the base line for a planned shift towards earlier action as envisaged in the recent legislation that established the Future Generations Commission.

Ask of every spending line “what are the 5, 7 or even 10 year implications of spending in this way?”

Although it is still early days for the Future Generations Commission the Welsh government should be very proud of the legislation which created the commission. It is, by far, the strongest and most thoughtful legislation of its kind anywhere in the world. This is NOT about setting spending plans in stone for many years ahead, that clearly would be impractical. It IS about considering the costs and consequences of a spending line over a sustained period. For example capping the amount that might be spent on helping a young person into work at the amount that might otherwise be spent on them being unemployed for one year might look sensible in a one year budget but moving the claimant on into permanent employment by spending twice that amount would be far more sensible when considered over the longer term. In, say, five years the young person might move from being a lifelong cost to being a lifelong contributor. It is important therefore to ask of every spending line:

What are the costs and consequences of spending this pound, this way, this year when considered over 5, 7 or even 10 years?

Protect investment in early action in the same way as investment in capital infrastructure:

Investment in early action yields rates of return which consistently outperform the ROIs on physical infrastructure. In their analysis of 15 economic studies of programmes from birth to 9, for instance, Reynolds and Temple found an average rate of return of £2.83 per £ invested whilst the Department of Transport estimate the rate of return on HS2 at between £1.80 and £2.50 per £ invested. However capital building programmes are planned and costed and, crucially, protected with a view to the long term asset life cycle and for the benefit of future generations. Spending on support for young parents, health education or effective youth work is, in contrast, subject to annual fluctuations and regular raids to meet short term pressures.

If we accept that spending on early action or the “social infrastructure” has a long term value then it should be planned for the long term asset life cycle, classified and protected from short term raids in the same way as investment in capital infrastructure is planned, classified and protected.

What if we don't?

We suggest to the Committee that a sustainable future for Wales is dependent upon an improved understanding of the “prevention to acute” base line, on longer term planning and budgeting and on the structural protection of early action budgets and spending plans. Without such changes public services will continue on unsustainable trajectories. They will deal increasingly with consequences not causes, barely meet current needs and accumulate impossible liabilities for the future.

On a series of occasions over the last year the Task Force has been hugely impressed by the positive attitude of public service managers and frontline staff towards the agenda of the Future Generations Commissioner. There is a great appetite and enthusiasm for early action. It is important that the 2017/18 budget captures and supports that momentum.

Thank you for providing us with this opportunity to contribute

David Robinson Chair, Early Action Task Force