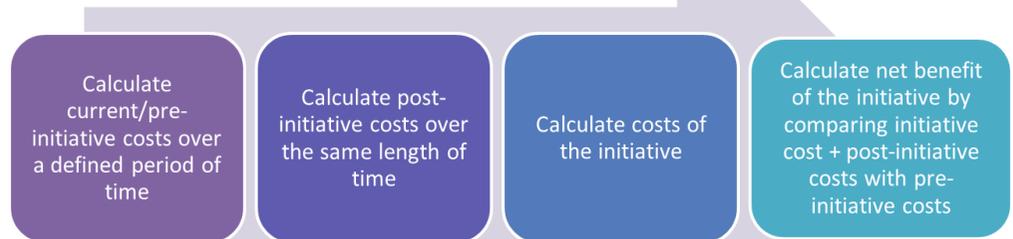




Measuring Preventative Spend

Preventative spending, such as investment into prevention and intervention programmes, is seen by many as being the best economic and social long term investment for the future as it reduces dependency and cost to services in later years.

SCSN's Cost Benefit toolkit is an excellent resource that enables officers to evidence not only the cost benefits of initiatives and projects but also how they have contributed financially to preventing public sector spending. This toolkit is the first to draw all the available data on the economic cost per unit of community safety data in Scotland and can be used by Community Safety Partnerships (CSPs) to evaluate the cost-benefit of their preventative spend investment.



The Cost Benefit toolkit has a number of uses including:

- Measuring savings as a result of an initiative or project (for example around reducing re-offending)
- Evidencing efficiency savings in relation to programmes of change within an organisation (for example changing a referral pathway to improve efficiency)
- As an evaluation tool to evidence impact of initiatives or projects

If you have a project or initiative you would like 'worked up', or you have examples of cost benefits that you have already produced and are willing to share them on our website please get in touch at info@scsn.org.uk.

Direct link to Preventative Spend worked examples - <http://www.safercommunitiesscotland.org/publications/preventative-spend-worked-examples.pdf>



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Worked Example 1 – Emergency Hospital Admissions

SCSN has begun to work up cost benefit examples based on local initiatives. Example 1 is based loosely on the “New drug trend awareness programme” within the Scottish Borders, although some dates have been changed for the purposes of the worked example. This example covers the behaviour of the wider population. Kind permission for reproduction of these calculations was given by the Scottish Borders Community Safety Partnership.

Background

Over the previous two years a new generation of Novel Psychoactive Substances (NPS), sometimes known as ‘legal highs’, had become widely available across Scotland and more locally in the Scottish Borders.

Up until 2010 there were no incidents involving NPS that had come to the attention of the local partnerships, however during 2011 there were 25 admissions to the Borders General Hospital where patients had admitted taking NPS. Staff from drug and youth services also raised a need for additional information about these new substances. Project outcomes included:

Frontline staff are aware of the health risks and legislation concerning NPS
 Young people are aware of the health risks and legislation concerning NPS
 Emergency hospital admissions resulting from NPS use are reduced

Only the cost-benefit in relation to ‘Emergency hospital admissions’ is used in this example calculation.

Step 1 - Cost Calculations

Using the costs from the online SCSN toolkit, twelve cases of NPS use were assessed to determine an average cost-per-case. Some of these costs may not be present in each case; however one should seek to calculate the average cost of a case based on a range of cases. The below calculation is a shortened example.

The average cost of an NPS case is **£1212**.
 Based on the average cost of a case, NPS incidents in 2011 cost the Scottish Borders:
 Average cost (£1212) X No. of cases (25) =
 Total cost in 2011 (**£30,300**)

This doesn’t include additional impact such as non-attendance at school/work or any longer-term health consequences, but goes some way to indicate costs involved in community safety issues.

During 2012, and 2013 to date in this hypothesised example, there has been only 1 legal high incident i.e. a cost of **£1212** in 2012 and 2013.

Step 2 – The costs of the initiative

The initiative cost
 £6,500.

Step 3 – The benefits

To calculate the savings use the following calculation (based on the assumption of the same number of NPS cases in 2012 if the initiative hadn’t gone ahead).

[Pre-initiative cost (£30,300) – Post-initiative cost (£1212)] – Initiative cost (£6500) =
 Savings of **£22,588**

The Cost benefit ratio can be calculated by dividing the savings by the initiative cost:

For every £1 spent on the initiative there were savings of £3 (£22588 savings / £6500 initiative cost)

Cost benefit ratio = £1: £3

Case No.	Ambulance call out (£)	A&E attendance (£)	Inpatient stay (£)	Criminal justice proceedings (£)	Total (£)
1	244	104	569	n/a	917
2	244	104	569	n/a	917
3	244	n/a	n/a	2148	2392
4	244	104	n/a	n/a	348
5	244	104	1138 (2 nights@569)	n/a	1486
Average cost	244	104	569	2148	1212