



On The Money

Prevention: from ambition to practice, October 2026

Fiona Duncan, Independent Strategic Advisor - the promise

1. Introduction

In 2011, the [Christie Commission on the Future Delivery of Public Services](#) made prevention central to public service reform, arguing that too much resource was spent responding to consequences rather than causes. It recognised that shifting resources upstream while continuing to meet existing need was essential but difficult, requiring longer-term approaches and pooled resources to enable integrated services. Government agreed, and said preventative investment was necessary to reduce demand for acute services over time so “corresponding budgets can therefore be reduced in future years.”

Then in 2020, the [Independent Care Review](#) established a clear connection between the experiences and outcomes of children, families and care experienced adults and the way Scotland invests its resources. The Review's Human and Economic Cost Modelling estimated around £942 million was spent annually on Scotland's 'care system' and a further £198 million in the associated universal services. Yet as a result of the 'care system' failures, meeting the needs of care-experienced adults requires a further £875 million, with loss of economic contribution estimated at £732 million. All of this was detailed in the [Follow the Money](#) report which aimed to do more than demonstrate the financial consequences of poor outcomes, it sought to expose a fundamental problem for public policy and public finance about the human costs of failure resulting in financial costs that do not remain within the system, service or budget in which they originate. Its significance was recognised by John Swinney who described the report as “one of the most compelling pieces of analysis” he had read.

The case has been made, repeatedly. Scotland does not need another argument for prevention. There is broad agreement that public services must shift from responding to crisis towards prevention.

The question is how to translate ambition into practice.

How to influence decisions about policy and systems, about how public money is spent on services so that resources can move towards prevention, while sustaining the services people need now - and how to measure effectiveness as well as efficiency.

2. Strong foundations to build on.

There is significant work underway in Scotland.

The [Scottish Government Prevention Unit](#) has developed tools to support preventative decision-making, including approaches to mapping drivers of demand, identifying and tracking preventative expenditure, preventable outcomes and avoided costs. Its [Preventative Budgeting Tool](#) provides a means of identifying preventative spend and connecting it to outcomes, intended as a first step towards supporting decisions to shift expenditure upstream.



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In 2024, the Independent Strategic Advisor developed a methodology in pursuit of strategic investment : disinvestment. It built on the insights of the Independent Care Review's Human and Economic Modelling and extended the analysis from the *effects* of the care system to include the *root causes*. By identifying those policies that are both *cause* and *effect*, it identified *core* policies resulting in the evidence base for the systems experienced simultaneously but considered in policy terms discrete. By November 2024, the work to develop a strategic investment : disinvestment approach had reached the point where further progress required Scottish Government involvement. To develop an approach for Scotland, international experience on what is possible and what remains unresolved was sought from a range of jurisdictions including those that have sought to connect wellbeing, outcomes and public investment.

[Public Health Scotland](#) is seeking to embed prevention across planning, budgeting and accountability, including an ambition for public bodies to develop a shared approach to tracking and increasing preventative spend.

['The Level'](#), described as Scotland's Delivery Protocol for people experiencing severe and multiple disadvantage, launched at the national Severe and Multiple Disadvantage Summit on 7th October 2026. Its aim is to establish a national 'No Wrong Door' approach while allowing local delivery to vary. It builds on lived experience, a three-year test of change and the 2019 ['Hard Edges Scotland' research](#), which exposed how people experience multiple systems simultaneously while policy, services and expenditure remain separate.

In recent weeks, the Scottish Government has launched its [Justice Social Impact Partnership](#) with £200,000 to develop three investable preventative interventions by March 2027, with investors providing upfront capital and repayment linked to outcomes achieved. If successful, the Scottish Government intends to establish a £10 million Social Impact Investment Fund, creating an important opportunity to learn from the approach as it develops.

These approaches start in different places and address different parts of the challenge. Together, they demonstrate considerable progress towards understanding preventative spend, identifying need, integrating delivery and attracting investment. With opportunities to learn, recognising that - so far - they are adjacent to one another.

What remains harder is connecting these elements systematically: from preventative investment → improved outcomes → reduced demand and expenditure → planned disinvestment and reinvestment.

Plus, none of the Scottish approaches - or the international ones that have been examined - have yet fully resolved that challenge across organisational and budget boundaries.

The case for prevention is well understood; the mechanics are harder.



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3. Prevention as Public Service Reform

The need for [Public Service Reform](#) is increasingly urgent. Fiscal pressures are intensifying rather than receding. So, the development of a framework to shape preventative activity must also include an approach capable of making clear how

- ♥ to invest differently to achieve better outcomes;
- ♥ different forms of finance can support the transition;
- ♥ to recognise cost avoidance and reduced failure demand across organisational and budget boundaries;
- ♥ successful investment can enable planned disinvestment and reinvestment over time.

The Scottish Government made a commitment to a Prevention Investment Framework in the [Programme for Government 2026-31](#).

Work to keep the promise since it was made in 2020 on national and local delivery – across planning, accountability and the structural barriers to reform – has strengthened collective understanding of the need for prevention as well as why it is proving so difficult.

The barriers to prevention are not simply financial. Public services cannot simply stop responding to current need in order to release money to prevent future need. Investment and disinvestment happen over different timescales, across different organisations, portfolios and levels of government. The organisation required to invest may not be the organisation that later benefits financially. Savings may emerge somewhere else in the system, sometimes years later.

That said – the mechanics of policy, funding, accountability, data, governance and scrutiny have largely developed around individual organisations and services. With the outcomes Scotland is aspiring to achieve revolving around humans - needing to cut across those institutional boundaries.

So, prevention requires reform. Years of change to keep the promise reinforce that it cannot be realised simply by identifying and funding preventative activity.

The strategic investment : disinvestment work led by the Independent Strategic Advisor that reported in 2024 was designed on that basis. It moved systematically from mapping policy, systems and existing expenditure, through analysis of need and intersectionality / locality, into collaborative, multi-agency design (nationally and locally), propositions and financial modelling. With the central question deliberately practical: where is investment needed to lead to disinvestment, and by when?

The last six years of keeping the promise show that the way Scotland's public services are structured and governed needs to change. Authority, responsibility, resources and accountability are distributed across Scottish Government, local government, public bodies, partnerships and providers. Organisations can fulfil their individual responsibilities without their collective activity adding up to the change Scotland is trying to achieve.



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Despite extensive planning and delivery architecture, national strategies, local plans, statutory duties and partnerships, performance frameworks, funding arrangements and scrutiny systems, which is individually rational, collectively it is not creating the conditions required to achieve shared outcomes.

The result is familiar: fragmented funding, short funding cycles, multiple reporting requirements, barriers to pooling resources, different accountability arrangements, and responsibility for outcomes distributed between organisations without equivalent shared authority to achieve them.

Properly designed, the Government's Prevention Investment Framework has the potential to be the practical means through which Scotland changes how decisions are made across policy, money, data to – most importantly – change delivery in pursuit of shared outcomes.

The Prevention Investment Framework must become an essential instrument of public service reform.

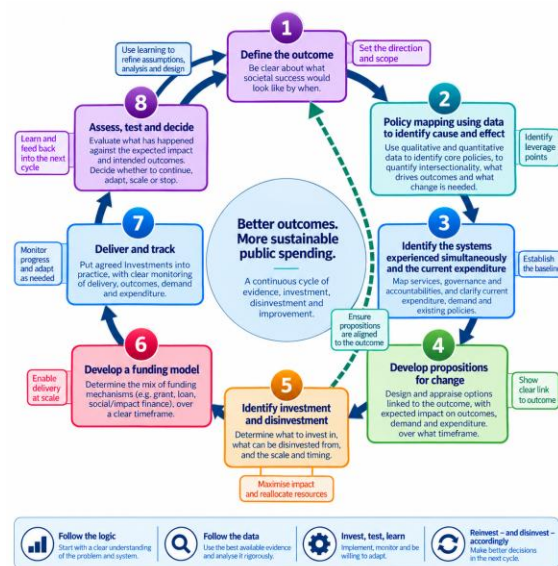
4. What exists to build from

This paper draws on the work by the Independent Strategic Advisor and the team at The Promise Scotland since 2020 that developed an approach to invest: disinvest approach to keep the promise. It builds on the strategic methodology it proposed, rather than the creation of another funding programme or pot.

The strategic investment : disinvestment methodology connects policy, data, finance, people and place to understand the causes and effects of failure demand, including where needs intersect and where opportunities for change exist. It seeks to identify where preventative investment could alter those trajectories, what form of investment is required, and how improved outcomes could reduce failure demand over time, enabling resources to be released or redirected through planned disinvestment.

This included commissioning a Feasibility Study to test whether a technical prototype could draw together and analyse multiple sources of existing and new information, automating elements of the mapping process while retaining clear decision points requiring human judgement.

The study reached two important conclusions. First, the approach is technically feasible and advances in AI and technology since the study was commissioned increase the potential to apply it efficiently and at scale.





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Second, the same underlying evidence can be interrogated through different lenses – policy, system, people or place – allowing priorities and their implications to be tested without predetermining the decisions that follow.

The development was informed by relevant international examples – the Victorian Government, Australia, introduced an [Early Intervention Investment Framework](#) (EIIF) in its 2021–22 State Budget, initially investing A\$324 million over four years. Since then, Victoria has made significant attempts to embed prevention and connect investment in early intervention to anticipated reductions in demand and future expenditure. A [2026 audit](#) found a consistent framework and useful evidence of outcomes, but significant gaps in measuring reduced service demand and whether estimated savings were actually realised. It demonstrates both the potential of the approach and the difficulty of converting improved outcomes into sustainable reductions in expenditure.

It is possible that the work undertaken in 2024 provides a developed starting point which, together with learning since, could help inform the design of a Prevention Investment Framework. This work set out to demonstrate the importance of a disciplined approach to assessing propositions – considering their potential impact, financial viability, governance and accountability, and realism.

With Scotland's commitment to the promise providing a particularly strong basis to move from ambition into practice as keeping it requires change across multiple policies, systems, services and levels of government. It has sustained cross-party and cross-sector commitment, alongside a clear destination and timeframe to 2030.

But the Prevention Investment Framework must be about more than financing work to keep the promise; it is the opportunity to translate a national commitment into practical action that will achieve something Scotland has long struggled to:

**From ambition for prevention → different decisions
about public resources → sustained change in lives.**

5. What the Prevention Investment Framework must do

To effectively inform different decisions about policy, resources and delivery in ways that will enable sustainable change and improvements to the lives of citizens, the Prevention Investment Framework must:

- 💖 Define the outcome
 - What are we trying to change, for whom, where and by when?
- 💖 Understand what is happening now
 - What policies and systems influence that outcome?
 - What is currently being spent across them and the organisations that deliver services?



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- Where is existing expenditure preventing harm and improving outcomes, and where is it managing the consequences of failure elsewhere?
- ♥ Identify what needs to change
 - What structural and systemic changes are needed across policy, legislation, funding, workforce, data, planning, delivery and scrutiny to achieve the outcome?
- ♥ Develop the proposition
 - What needs to be invested, from where, by whom and for how long?
 - Where do resources need to be aligned or pooled around the shared outcome?
 - Who has the authority to make those decisions, who is responsible for delivery, and how will accountability be shared?
- ♥ Plan investment : disinvestment
 - Where and when is investment expected to reduce demand and enable disinvestment?
 - What plans are needed to reduce, redirect or cease existing activity as preventative approaches take effect?
- ♥ Deliver, test and learn
 - How will evidence about people's experiences, outcomes, demand and expenditure tell us whether change is happening as expected and quickly enough?

These are not questions for finance alone. They require policy, data, delivery and scrutiny to operate together with finance - nationally and locally. It requires an understanding of how people experience policies, systems and services, where they live, in their place.

This would enable the Framework to be designed with flexibility embedded from the outset: providing a consistent methodology that can be applied through different lenses – policy, people, system or place – and across different social policy areas.

The Prevention Investment Framework must do more than analyse problems; it must enable different decisions.

Consistent approach; flexible application.

6. Planned disinvestment is not cuts

The approach to developing a Prevention Investment Framework needs to distinguish clearly between what is meant by planned disinvestment and cuts.

Cuts are often driven by a requirement to reduce expenditure. Planned disinvestment needs to be driven by a reduction in failure demand through achieving the change Scotland is aspiring to. It is the



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deliberate release or redirection of resources as evidence demonstrates that demand has reduced, different provision is working, and / or existing activity is no longer required.

This requires disinvestment to be designed into preventative investment from the outset, with assumptions about timescale, outcomes, reduced demand and the release of resources explicit and tested as implementation progresses.

Prevention often requires two systems to operate simultaneously: existing services must continue while preventative approaches become established. This means that transitional investment can be needed until failure demand reduces sufficiently to release resources.

The Prevention Investment Framework must be designed to overcome the reasons the shift to prevention has proved so difficult.

7. Investing differently

Scotland will need to think hard to figure out how much it needs to invest, and where, to identify how it will secure additional funds, and where from – as well as what type of investment is needed.

The strategic approach to investment : disinvestment surfaced the different forms of finance that different changes require. This could include sustained revenue, or a short-term injection of capital, via a contract, or a grant, bridging finance, a form of social or impact investment or a timebound loan. The appropriate mechanism would depend on what needs to change, which organisations are carrying the risks, how long the change will take, what and when the benefits are expected to emerge and when.

The 2024 work anticipated the need to consider different funding mechanisms including capital, revenue, loan, grant, commission, impact bond and bridging finance. It considered opportunities beyond traditional public finance.

Philanthropists and funders were engaged in the 2024 conversations to test their willingness to do something different in the pursuit of something new. This identified significant interest and intent to generate c. £100 million towards supporting keeping the promise, particularly where investment could help unlock system change rather than simply mitigate the consequences of failure. There is increasing appetite among progressive philanthropists to understand not simply what their money funded, but what changed because they invested it.

A Prevention Investment Framework could be designed to make investment possible: identifying the outcome being pursued; understanding existing public expenditure and failure demand and where preventative investment could change that trajectory. Then determine the appropriate funding model needed to make that transition possible, considering the mix of funding mechanisms, the scale and timing of investment, who needs to invest, and how investment can be sustained until improved



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outcomes create the conditions for resources to move - and identifying where successful prevention should enable resources to be released or redirected.

The Prevention Investment Framework presents an opportunity to take a strategic approach to blended investment.

8. A Prevention Investment Fund / Pot?

The role of philanthropy also creates the possibility of establishing Prevention Investment Fund / Pot – which would not be the same thing as the Framework. The Framework would need to provide the discipline for deciding what is investable, by what means, against what outcomes, over what timescale and with what route to disinvestment.

The Fund / Pot could provide a mechanism for mobilising the finance required which would reduce reliance on the state. Public, philanthropic and other forms of socially motivated investment could potentially be brought together around clearly defined outcomes – nationally and locally. Different sources of finance could play different roles according to their appetite for risk, timescale and expected return, whether that return is financial, social or both.

The state would still hold a critical role – the Fund / Pot would not be about substituting philanthropy or transferring responsibility for public services. It would be about recognising that the state cannot / does not necessarily have to provide every pound of the (transitional) investment required to change the way those services operate.

Used well, a Prevention Investment Fund / Pot could provide some of the bridging resource required during the period when Scotland is still paying for the consequences of failure while also investing in the conditions intended to reduce them.

The Prevention Investment Framework presents an opportunity to mobilise funders and philanthropists to enable blended investment.

9. More sophisticated budgeting

Feedback from philanthropists and funders in 2024 made clear that the Scottish Government would have to first show intent to do something different and take a more sophisticated approach to budgeting.

It is accepted that traditional, annual budgeting makes it difficult to invest longer-term which is necessary where benefits may accrue over several years, or to recognise that investment by one portfolio or organisation may avoid costs somewhere else. It can also obscure the cumulative cost of responding repeatedly to the consequences of the same underlying issue across different services.



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Prevention requires a longer and a wider view.

It demands an understanding of current need and future demand to map spend and save or investment and return. It requires budgets to recognise cost avoidance and cashable savings and to track the points at which reduced demand allows resources to be released or redirected. This also means recognising where the organisation making the investment will not be the organisation in which the eventual financial benefit is realised.

Not all benefits will be cashable, and not all cost avoidance will enable a budget to be reduced. But both are relevant to understanding the value of preventative investment and making better decisions about public money. This creates the possibility of moving beyond asking what a service costs towards understanding what Scotland is spending to achieve an outcome - and what it is spending because that outcome is not being achieved.

Where resources are released, the Framework could also help make explicit decisions about whether they are reduced, redirected or reinvested to sustain preventative change. That is a much more useful basis for public service reform.

The Prevention Investment Framework must be integrated into budgeting.

10. Learning through application

All the international learning highlighted the risks of trying to develop a perfect approach before applying it. With the 2024 work on strategic investment : disinvestment deliberately proposing building on a shared vision to start with real people, in real places facing real problems.

It recognised the data was imperfect yet set out to work with what already exists, rather than allow the absence of perfect information to delay or prevent action. Scotland's Prevention Investment Framework needs to be developed based on what we know and through application - with ongoing learning from implementation continually shaping its development.

The First Minister has indicated that initial application of this approach, subject to Ministerial and Cabinet agreement, could focus on the intersection of whole family support, homelessness, drug deaths, criminal justice and economic activity. This provides a particularly strong opportunity to develop the Framework through application. This requires not starting with five priorities, but with the people and the places at their intersection.

By mapping the core policies that are both cause and effect to identify the systems that are experienced simultaneously to understand the associated public expenditure and failure demand – then use that analysis to develop propositions for change, investment and planned disinvestment.



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There is experience to build on with work underway to keep the promise which already cuts across multiple portfolios, public bodies and local services. With [Plan 24-30](#) providing the clarity about what needs to change and where responsibility sits helping show where experiences and outcomes expose the consequences of discrete systems not operating coherently. The inclusion of Intensive family

support providing an especially tangible place to start. It sits at the intersection of keeping the promise, tackling child poverty and public service reform.

Scottish Government's Justice Social Impact Partnership.

- ♥ **What it is:** A live test of financing preventative interventions, linking external investment and repayment to agreed outcomes.
- ♥ **What it is not:** An investment : disinvestment approach. It does not map the policies, systems and expenditure shaping an outcome or identify where successful prevention could release existing expenditure.
- ♥ **What could be learned:** How to develop investable propositions, measure outcomes, allocate risk and structure finance — and what more is needed to connect investment to reduced demand, expenditure and disinvestment.

Delivering change requires precisely the shift that the Prevention Investment Framework is intended to enable: earlier, more intensive support; collaboration across organisational boundaries; alignment of resources around families rather than services; and, over time, reduced reliance on expensive crisis

responses. This means that rather than waiting until the Prevention Investment Framework is complete and then looking to apply it, its development and application needs to happen together.

With an opportunity to learn from the Scottish Government Justice Social Impact Partnership. Because it tests how preventative interventions can attract investment linked to outcomes but not yet connect that investment to changes in demand, expenditure and subsequent disinvestment, it can be seen as adjacent to a strategic investment : disinvestment approach.

Design, build and use the Prevention Investment Framework to drive change and respond to change as it happens.

11. The opportunity now

The starting point for this paper was building from the work of the Independent Care Review's Human and Economic Cost modelling, and how it have been developed into a strategic investment : disinvestment methodology.

Two years later, the context has changed.

Scotland has a substantial body of work to build from, international examples to learn from and a commitment to develop a Prevention Investment Framework – alongside a potential focus for initial application from the First Minister that remains to be agreed with Ministers and Cabinet.

The opportunity now is to connect what already exists, identify what is missing and develop the Framework through application.



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One possible starting point is the intersection of whole family support, homelessness, drug deaths, criminal justice and economic activity provides a place to begin - not as five separate priorities, but with the people and places experiencing those systems simultaneously.

Subject to agreement on the next stage, Government would need to work in partnership to bring together the relevant work; provide the policy, data and financial information required; agree what success looks like; and test whether different investment decisions can improve outcomes, reduce failure demand and enable planned disinvestment and reinvestment

Scotland's ambition must not be yet another framework demonstrating the value of prevention - but one capable of changing lives.