

Plan 24-30

strategic investment : disinvestment

paper written for
the Promise Cabinet Sub-Committee
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Independent
Strategic Advisor



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This paper was prepared for the Promise Cabinet Sub-Committee in November 2024. It is published now as background to the Independent Strategic Advisor's October 2026 paper, *Prevention: from ambition to practice*.

It records the strategic investment : disinvestment work, propositions and proposed next steps as they stood in November 2024 and provides context for the work that followed. References to possible government adoption, future activity, funding arrangements or example propositions should therefore be read in that historical context. They predate current Ministerial or Cabinet discussions on the possible design and application of a Prevention Investment Framework.

This paper summarises 18 months of extensive work to create an evidence-based approach to guide **strategic investment and disinvestment** decisions in pursuit of better public services.

It outlines a methodological approach that:

- ♥ brings together policies, data and finances to support decision-making
- to
- ♥ inform systematic shifts in spend towards prevention, enabling pooled budgets and collapsing ringfencing
- to
- ♥ engender collaborative service-design and delivery focused on holistic approaches to shared priorities
- to
- ♥ enable evaluation of impact, based on data that reflects real-lives, reducing bureaucracy
- to
- ♥ deliver longer-term forecasting to improve planning.

Government adopting this approach will enable improved public services and can inform the Scottish Budget approach and content. It draws on international expertise and harnesses the rich economic and social intelligence in Scotland on what makes for better lives.

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1. Context

In his 4 September 2024 speech to Parliament on the Programme for Government, the First Minister John Swinney reiterated his commitment to ending child poverty, keeping The Promise, and reforming the public sector:

“We must create a system of whole-family support that is available across the country. We must ensure this system is easy to access, well-connected and responsive to families’ needs.”

“Over the coming year, we will work with partners to enable greater local flexibility, so that services can be more easily tailored to the needs of the families that they support.”

“We will look at what budgets can be pooled and what reporting can be streamlined. This will involve working closely with our local authority partners, other public services and the Third Sector, to align services and ensure there is a focus across our public services on meeting the needs and supporting the resilience of families.”

“We will consider where greater investment is needed.”

“The key objective of the approach that we will take will be to deliver significant reform of the work of public services to deliver whole-family support extensively across the country.”

“But in this challenging fiscal environment, we cannot deliver public services as we did in years past. We must change the model of service delivery to promote positive outcomes, prioritise prevention and reduce demand for future services”

“We have similar ambitions for all of our public services as part of our 10-year Public Service Reform programme, which will guide our approach.”

There is significant need for a **strategic investment : disinvestment** approach to accelerate change towards prevention. The current fiscal climate makes adopting a new approach more challenging but also more necessary and urgent.

The time for a strategic approach to investment and disinvestment is now.

2. Background

The **strategic investment : disinvestment** approach builds on the innovative work of the [Independent Care Review](#) on Human and Economic Cost Modelling (HECM). This recognised that the impact of being care-experienced lasts a lifetime - and that the 'cost' of care is therefore borne both by the individual and the 'system'. By analysing investment in the various 'systems' experienced by individuals who had experienced the 'care system', HECM offered a fresh perspective on the economics of care. The resulting report, [follow the money](#), revealed that Scotland invests approximately £942 million annually in the care

system. However, care-experienced children and young people persistently have poorer health, educational, and employment outcomes than their non-care-experienced peers.

This systemic failure is evidenced by the disproportionately high number of care-experienced adults in 'adjacent' systems such as homelessness, justice, and substance misuse. The financial cost of this is estimated at £875 million per year. With an additional loss of potential revenue of around £732 million due to the under-representation of care-experienced adults in well-paid employment.

“Financially Scotland can afford to transform its approach, morally it cannot afford not to.”

On 26 July 2020, a few months after the [Independent Care Review](#) concluded, the then Deputy First Minister John Swinney addressed parliament, stating:

“On a personal level, I found the economic analysis that was produced by the care review one of the most compelling pieces of analysis that I have read in a long time.”

The following year, on 16 September 2021, in a meeting then Cabinet Secretary for Finance and Economy Kate Forbes remarked that HECM was:

“the best and most persuasive example of spending differently that she has seen”.

The **strategic investment : disinvestment** approach builds on the strong foundation laid by HECM. But the [Independent Care Review](#) was not alone in providing clear evidence that a relatively small number of people face severe and multiple disadvantage and experience disjointed and costly services that fail to make a meaningful impact on their lives.

Over many years, Scotland has reached a broad consensus that too much time and money is spent reacting to crises, with services that are uncoordinated. Evidence also shows that a relatively small number of people are caught in this loop making major demands on public services – and that these individuals experience fragmented systems, often too late to have a positive impact. Despite this, Scotland has been unable to transition from current models of reactive service delivery models to proactive approaches that have a laser focus on prevention.

What has been missing is a mechanism that provides insights into what's needed to enable prevention to be prioritised, that quantify the true impact of changing funding and service decisions on people's lives – and can be applied at scale.

The **strategic investment : disinvestment** approach is a substantively different way of managing finances and policy. It connects the two and is a more dynamic approach, meaning that it is possible to redirect scarce resources to more effective ends. It is not caught up in an ongoing focus on improving data or proving the case, it works with what is there. While there may be gaps, which can be addressed, there is ample opportunity to work with what already exists – a strong case for change and a good understanding of people's lives.

Similar models are working in other countries, and their experience has been drawn on in devising the **strategic investment : disinvestment** approach. This includes New Zealand's Wellbeing Budget process which has resulted in markedly different spending decisions to traditional incremental or performance budgeting approaches. By specifically treating expenditure as investment in future wellbeing, it introduces a common mechanism for decision making. Similarly, there is learning from Australia's Early Intervention Investment Framework.

3. Why the promise?

A key advantage of developing a **strategic investment : disinvestment** approach in alignment with realising Scotland's vision to #KeepThePromise is the broad and deep buy-in generated during the [Independent Care Review](#) - and that has been sustained since. This support is cross-party, cross-sector and cross-border – including internationally.

Not only has commitment to change remained strong since the [Independent Care Review](#) announcement in 2017, but a national programme also to make change happen has been underway since 2020. With a shared understanding that for Scotland to #KeepThePromise to everyone, everywhere, every day will take until 2030.

Over the last year, hundreds of organisations with statutory duties connected to the causes and effects of Scotland's 'care system' collaborated with the Independent Strategic Advisor and The Promise Scotland team to devise [Plan 24-30](#). This included CoSLA, Solace, local authorities, various public bodies like Police Scotland, Public Health Scotland, as well as a wide range of voluntary organisations, academics and the philanthropic community. All, and many more, continue to change how they work to ensure the promise is kept. [Plan 24-30](#) is hosted on a website to support dynamic implementation of all that's needed to #KeepThePromise and to capture change as it happens. The [Reflect, Refocus, Reset report](#) outlines the rationale behind this novel way of multi-agency planning, support for implementation and new ways of evaluation. [Plan 24-30](#) outlines **what** needs to happen, by **when**, and by **whom**. As 2030 approaches, it will become more assertive and directive.

The work to develop [Plan 24-30](#) identified fragmented funding as a significant recurring barrier to the promise being kept. Continued investment in crisis, not prevention, means that understanding **how** to deliver the necessary changes will remain challenging. Application of the **strategic investment : disinvestment** approach provides an evidence-base that quantifies intersectionality, across policies, in places and with specific groups of people.

The usefulness of the qualification and quantification of the people who simultaneously experience disparate policies and systems to inform effective decisions about how public money can be spent more effectively, over the short, medium and longer term cannot be overestimated. As well as helping remove the systemic barrier of fragmented funding - not only to #KeepThePromise – this approach could support the drive towards broader public sector reform.

4. Strategic investment : disinvestment

The Promise Scotland has used its convening power to bring together leaders from discrete systems where care experienced people are overrepresented. They have come together to draw on their frontline expertise and form an Investment : Disinvestment Group to interrogate the **strategic investment : disinvestment** approach and to assess its applicability¹.

This paper provides context and explanation of the approach and the following supporting detail:

- **Appendix 1** provides an example of approach and two example propositions
- **Appendix 2** provides fuller references for the approach

The steps are detailed from page 6 with two key aspects: data-led, on design-led:

- **Mapping** of policy, systems, finances and people - *data-led*.
- Application of the model via **propositions** - *design-led*.

It is important to note that despite any limitations in data (annual, lag, real-time), application of the **strategic investment : disinvestment** approach uncovered new insights. Many of the international models reviewed to inform the approach identified similar data challenges, but they did not hamper implementation of a new approach to planning and delivering public finances.

The new approach also generated real enthusiasm among those who witness firsthand the pressures faced by individuals who rely most on the state. Leaders are now collaborating across system boundaries to propose joint solutions for holistic services that will address deep-rooted social issues that fragmented, short-term approaches have previously failed to resolve.

The Independent Advisor and the team from the Promise Scotland behind developing the **strategic investment : disinvestment** approach discussed it with several of the relevant budget advisory groups established by Scottish Government to advise on gender, anti-racism, human rights, and children's rights. Again, the approach was met with enthusiasm, with all groups recognising the common issues being pursued, and being allies to a new way of working.

Senior Scottish Government officials have also been kept apprised of the model's development, testing and application with requests from the Independent Strategic Advisor and The Promise Scotland for more resource to help anchor its development into government.

5. All change

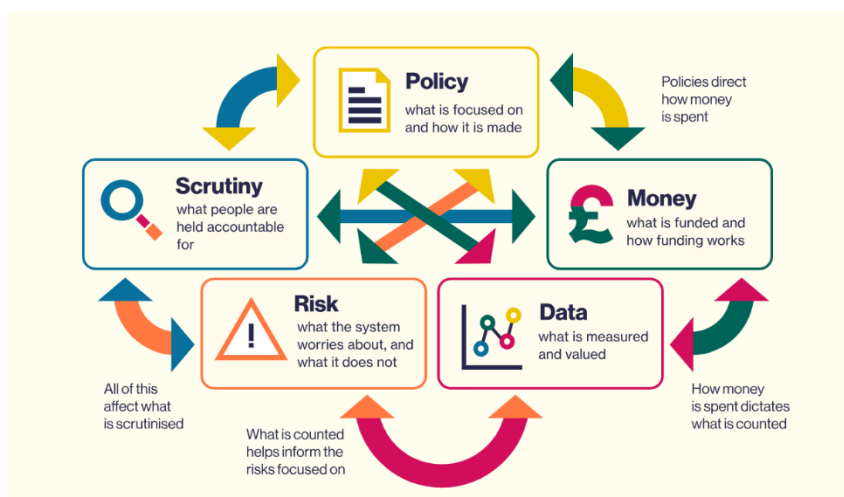
¹ Discussions on the model have taken place with a wide range of sectors, organisations and experts, including COSLA, Grant-making trusts/foundations, Solace, Think Tanks, Third sector organisations, Audit Scotland, Universities, Digital and data experts, High net-worth individuals, Non-departmental public bodies including Community Justice Scotland.

A crucial way the **strategic investment : disinvestment** approach substantively differs from previous approaches is the dynamic connection it makes between the various central and inter-linked drivers of public sector reform—such as policy, data, money - and place.

This diagram from [Plan 24-30 called 'Meeting in the Middle'](#) recognises these central drivers and the importance of understanding how they are (/ should be) linked -and the consequences of making shifts.

The Independent Strategic Advisor's work plan is supported by The Promise Scotland and informed by [Meeting in the Middle](#). The work plan takes account of existing structures (such as governance and scrutiny) and frameworks (such as the National Performance Framework).

The **strategic investment : disinvestment** approach highlights which communities face the highest levels of need, what those needs are, and where streamlined reporting - based on data that reflects the complexity of real lives - can reduce bureaucracy and free up resources.



As a tool to influence the Scottish Budget, it would support better targeting of public funds towards holistic services specifically designed to lead to reduction in failure demand. But critically, the approach identifies where this disinvestment in crisis services could happen. This is a strategic approach to tackling deep rooted social issues that previous, fragmented, short-term orthodox approaches have failed to.

By design, it makes clear which policies need to be cohesive and supported by co-terminus initiatives with pooled budgets to enable improved public services. And how this can be supported by streamlined reporting, based on use of data that reflects real lives. Use of the **strategic investment : disinvestment** approach is generating propositions for improved public services. These focus on investment focussed on prevention + provision that enable a reduction in failure demand leading to planned disinvestment.

This spans general provision (like targeted universalism aimed at prevention) to more intensive support. It identifies where cross-sector, multi-agency collaboration is necessary. And offers a framework for projecting future reductions in system failure demand.

By consistently drawing on the most up-to-date data, the approach will track outcomes (depending on data collection this could include in real-time) and will reduce reliance on lag indicators. This makes it well-suited for driving long-term systemic change and supporting adaptive investment patterns. Most importantly, this tracking will give Scotland confidence that the changes being implemented are effective.

Use of different data, based on real lives, must influence Scotland's conversation about what is needed from scrutiny and oversight, and inform new ways of thinking.

The **strategic investment : disinvestment** approach is both logical and iterative, following practical steps with specific inputs and outputs that build upon one another. A brief outline of the methodology is set out at section 6.

6. Unlocking additional resources

The requirement for additional resources is often cited as a major main barrier getting in the way of a shift towards preventative spend. The [Independent Care Review](#) attracted interest from the philanthropic and funding communities, here in Scotland and across the UK. Many have already shifted their funding focus to work to #KeepThePromise. These groups have been kept informed about the evolution of the **strategic investment : disinvestment** approach, alongside efforts to #KeepThePromise. As a result, interest has now extended to the global philanthropic community.

They unilaterally recognise that statutory funds alone are unlikely to be sufficient to drive the system change required to #KeepThePromise. Those expressing an interest in the approach have also been considering what conditions government would need to meet before they'd be willing to invest.

Should the Scottish Government adopt new funding mechanisms as part of implementing this **strategic investment : disinvestment** approach (and commitments in the Programme for Government are progressed as planned), further commitment and contribution from the philanthropic sector is expected to follow.

By mobilising additional investment from the philanthropic community, the persistent challenge of being unable to invest to disinvest will be overcome. This will support the transformation towards a prevention-focused system, while distributing the risk across multiple stakeholders.

In short, the commitment to #KeepThePromise, supported by the **strategic investment : disinvestment** approach, will unlock upfront and sustained philanthropic funding through to 2030. This will enable high-quality, impactful changes that help shift the focus from short-term crisis management to long-term prevention, ultimately paving the way for disinvestment.

A few unanswered questions remain including identifying the optimum vehicle able to take receipt of philanthropic funds and distribute them, aligned to the financial modelling necessary for each **strategic investment : disinvestment** proposal. The consensus is that this vehicle does not currently exist in Scotland so may need to be created or an organisation or set of partners supported to develop the skills and expertise.

7. The methodology

From the outset, the intended outcome of the programme of work on **strategic investment : disinvestment** has been to provide an approach and way of working that:

- 💡 identifies the real-life experience and / or issue which is driving the greatest impact on negative outcomes.
- 💡 understands (via use of data and evidence) where in the outcome journey that experience / issue sits
 - the extent to which it is connected to / driving other detrimental experiences and / or outcomes
 - the impact it is having at a population level
 - how much (and from where) is currently invested in trying to 'fix' or mitigate the experience/issue.
- 💡 uses the data and evidence that outlines the scale of the problem to inform an improved approach to spending and collaborative working targeted at improving outcomes, built from a cost/benefit analysis.

It is important to note though that these are not distinctly separate steps, the whole programme is interlinked, learning and building as it evolves. It is firmly connected to other work to #KeepThePromise (specifically the 'Meeting in the Middle' aspects which broadly relate to the wider public sector reform agenda).

The approach to implementation has been phased, drawing on agile project methodology, in recognition of the iterative nature of the work.

The University of Glasgow has been commissioned to develop the **strategic investment : disinvestment** approach into a tech model that synthesises data and intelligence to support more effective use of funds. A working prototype will be in place by the end of the year, aligned to an update of [Plan 24-30](#). The commission will involve 'user testing' and all interested parties will be invited to take part and contribute to the development of a useable tool in pursuit of collaboration, policy cohesion and data modelling, budgeting, service (re)design and delivery, plus evaluation.

Outlined below are the **strategic investment : disinvestment** steps - deliberately some continue to be 'under development'. This is intended to make sure that as the approach evolves, it benefits from a co-design element to help ensure its 'workability' whilst starting from *where we are* – i.e. recognises the limitations of some of the data sets and takes account of other resolvable issues.

With broad consensus on the approach, work is ongoing to maximise the available data and intelligence and make a start. The main steps are as follows:

Step 1 – MAPPING (<i>identification of WHICH policies, WHAT systems?</i>)	
<u>Policy mapping</u> - Map all policies with an impact on children, families and care experienced adults - <i>before, during and after</i> the 'care system'.	OUTPUT: This identifies a small suite of core policies ² .
<u>System mapping</u> - Identify the systems ³ that the core policies relate to.	OUTPUT: Clarity on which systems children and families experience before contact with the 'care system'; and/or whilst children are in care; and / or the systems care experienced adults come into contact with-the permeable systems.
<u>Financial mapping</u> - Identify the resources relating to the core policies set out above.	OUTPUT: Sets out the current financial situation regarding how money is applied to these core areas.
<u>Refine</u> - Repeat the Policy mapping and financial mapping for each of the permeable systems, considering <i>before, during and after</i> .	OUTPUT: This narrows the number of core policies and related finances that impact across permeable systems, making clear where Ministerial responsibility sits (and which officials), enabling quantification of the current level of resourcing.

Step 2 – ANALYSIS 4 (<i>impact - who, how and how many?</i>)	
<u>Data analysis</u> - Establish the relevant data sets for core policies and permeable systems and / or if necessary reliable proxy data sets. This includes both activity and financial data.	OUTPUT: This quantifies the number of people impacted by each of the discrete core policies and in each of the permeable systems and the related resources.
<u>Risk analysis</u> - Interrogate the data sets and apply risk analysis tools ⁵ to assess and quantify: probability of experiencing ('other' policies and systems) <i>before, during and after</i> (the policies / systems that the data refers to)	OUTPUT: This assessment further evidences the i) root cause (<i>before</i>) and ii) effects (<i>after</i>) relationship between the core policies and permeable systems and

² This is in addition to the policies typically considered as the 'care system' – adoption, kinship, fostering, residential, secure, through / after care, the hearings system etc.

³ These cover, but are not restricted to poverty, mental health, suicide, homelessness, VAWG, drugs and alcohol, justice, asylum seekers and refugees etc.

⁴ This step is being supported by The University of Glasgow.

⁵ For example, this might be the:

- o **probability** of going into care as a child if your Mum goes into prison (95%), and the long-term **impact** as it is currently difficult for Mums to rebuild their life when released to a level that results in their children returning
- o **probability** of becoming homeless when leaving care (typically a lot younger than your non-care experienced peers) and the long-term **impact** of that on prospects of work or education.

▪ impact of experience (of the policy / system) on experiences (another policy / system) <i>during</i> and <i>after</i> ▪ Financial implications of the current and future models	iii) intersectionality (<i>during</i>). Enabling the financial implications and the case for change to be considered. POTENTIAL OUTPUT: a National cause / effect / intersectionality Policy Map and financial mapping
<u>Data modelling</u> - Layer population data sets over one another by size illustrating probability and overlap to illustrate intersections and impact (short / medium / long-term)	OUTPUT: The intersectionality map narrows the focus to a smaller number of core policies and permeable systems where there is demonstrably the greatest need for closer alignment at a national level to achieve change. OUTPUT: This generates a reliable, national intersectionality map (Venn diagram).

Members of the Investment: Disinvestment Group are using the insights from steps 1 and 2 to generate propositions intended to support cohesive policy objectives with co-terminus initiatives. The most effective ways to invest in these would be pooled budgets with collapsed ringfencing in support of the design and delivery of new public services with measures that focus on investing in good outcomes to enable parallel disinvestment.

These propositions are being taken going through Stages 3 and 4 to refine them into viable propositions for consideration by government and the philanthropic community to decide which to invest in.

Step 3 – NEED and / or OPPORTUNITY? (WHERE?)	
<u>Localisation</u> - Apply local data sets to the national populations used to create the intersectionality map taking account of: ▪ population size as a proxy for scale of need : large ⇔ small ▪ overlay as a proxy for complexity of need: multiple ⇔ few Consider the financial implications of each	OUTPUT: This takes the intersectionality map (Venn diagram) into localities showing geographic hot spots⁶. OUTPUT: The enhanced understanding of i) the relationship between cause / effect / intersectionality of core policies and permeable systems ii) a deeper understanding of the way that public money is being used and iii) geography This allows for a greater understanding of where targeted universalism (in pursuit of <i>prevention</i>) is needed and possible, and where (<i>provision</i> of) bespoke services (in pursuit of <i>prevention</i>) are needed.

⁶ This actuarial modelling draws on well established tools to assess risk and therefore has the potential to support the development of a formula, such as the [Arbuthnott Formula](#)

Collaboration (led by COSLA and Solace) - Establish multi-agency teams to work in key geographical hotspots, across sectors to consider all relevant aspects of local delivery of relevant propositions on:

- leadership, relationships and culture *to*
- resource and project planning of services *to*
- accelerating the changes that matter most to those in receipt of public services *and* ways to better measure and report

The opportunity presented by the Verity House Agreement was considered and discussed by the Members of the Investment ; Disinvestment Group, as was the existence of the Promise Progress Framework and the potential for this to be further developed into a comprehensive set of outcome measures, aligned to the National Performance Framework

OUTPUT: An assessment of readiness, willingness and impact for tests and pilot. Along with the consideration of which propositions to develop into full proposals for submitting to the government and the philanthropic community.

Step 4 – MOBILISING *(how LONG and how MUCH?)*

Develop propositions	Using all the above, develop concrete propositions for consideration with a clear case for investment and disinvestment over time.
Assess propositions	Assess the propositions against a matrix ⁷ designed to calculate the predictability of outcomes based on current and optimal services and develop viable investment : disinvestment propositions. Decision making stage.
Adopting the proposition	Implementation of the proposition to solving the problems that children, families, and adults face. Design and delivery of better, more targeted public

⁷ Considering (not exhaustive): a) number of policies / number of systems; b) evidence-based data on the level of need across priority people / priority places / priority system(s) change; c) readiness and opportunity; d) project planning – collaboration, delivery / work programme (including exit strategies); e) timeline; f) financial model - tangible investment and disinvestment (avoiding disincentives for success), funding type - capital / revenue, loan / grant / commission / impact bond / bridging; g) measures – single framework for all funds; h) risks - avoiding disincentives; assessment of barriers such as market forces (ethical commissioning) etc.

services to prevent crisis and enable disinvestment in systems that perpetuate failure demand or poor outcomes.

A decision-making process will need to be developed.

Good governance will underpin the measurement of how effective the services are through direct linkages of reporting to the Promise Progress Framework, currently being developed by the Scottish Government, COSLA and The Promise Scotland. This framework is aligned to all relevant policy areas plus what the Independent Care Review heard about what matters to children and families.

8. Conditions for success

Several conditions have been identified that need to be satisfied for the model to be successfully applied. For these to continue to be developed, there is a need for input from the Scottish Government, to ensure they are aligned to priorities. This would enable an **assessment matrix** to emerge.

Impact	• Number of people affected. • Social (and economic) benefits identified. • Applicability, adaptability, replicability • Timeframes (mix of short, medium and longer-term). • Number and/or significance of national and/or local policies/systems/services affected.
Money	• Investment and disinvestment aligned to timeframes • Fiscal sustainability • Ability to secure and release funding / develop and deliver services / release capacity etc/ (aligned to timeframe) • Ability to secure and release funding – considering type (capital / revenue, grant / loan / commission / impact bond /bridging finance etc.
Governance and accountability	• Authorising environment and leadership commitment. • Local context. • Evidence of ability to achieve systems change. • Monitoring for unintended consequences.
Realism	• Realistic theory of change. • Evaluability assessment. • Workforce availability.

9. Next Steps

A wide range of stakeholders have expressed significant commitment to the **strategic investment : disinvestment** approach for an equally wide range of reasons - moral, financial, the ability to drive change etc.. It offers a powerful mechanism to shift the focus of public services in Scotland towards provision to prevent. Knowledge of its development has generated suggestions for change from people who have not been involved in its development, but who are working at the front-line and seeking sustainable and preventative approaches to their work.

Work will continue with local government, statutory agencies, NDPBs, charities, Audit Scotland and philanthropic organisations to build the financial, policy and data mapping to drive the approach. Specificity is being increased through building in data and real-world experiences to provide greater clarity about the changes needed and what investment is needed, as well as what the potential for disinvestment is. An approach to risk is being developed to be applied to every proposal, taking account of timelines, readiness, conditions such as legislation etc. etc.

Current work is focusing the following:

- Refining the approach and solidifying the methodology including further development of the
 - **propositions framework**, designed to capture, like for like information on, viable ideas. This will provide clarity on what aspects of change are most important to government.
Partially populated example proposition frameworks are included in Appendix 1, while indicative, they show how the approach can work in practice and are intended to support discussion.
 - **an assessment matrix** to enable government to take decisions on which propositions that will be developed into proposals. This will include a set of measures to make clear what government would expect from its investment.
delivery
An example assessment matrix is included in the paper, again purely to support discussion, and demonstrate possibilities for alignment to the Promise Delivery Framework (already agreed between government, CoSLA and the Promise Scotland) and the National Performance Framework. This is required to set out what is expected from delivery so impact can be analysed over the timeframe.
 - **financial modelling** which has to include getting 'under the bonnet' of government budgets. Which requires active involvement of government to be progressed
Taken together this i. framework, ii. matrix and iii. financial modelling will provide the clarity required from government.
- Propositions are being generated that could be developed into proposals for strategic investment : disinvestment, with opportunities focussed on:
 - **priority people** – such as early years, care leavers
 - **priority places** – localities with high levels of intersectionality where there is clear need

- **priority system(s) change** – such as justice, exploring ways to avoid the over-criminalisation of the care community, to divert mums from prison

These propositions that include maternal health, housing, mental health, justice and the courts, in some specific geographic areas, skills, training and employability etc..

- Work to explore whether the investment : disinvestment approach can be used to establish a shared set of outcomes and indicators by a specific date (e.g. 2030) is ongoing.
- Further advancing discussions with high-net-worth individuals and grant-making trusts, based in Scotland and outwith, to explore the creation of a 'prevention pot'.
- Overseeing the design of the tech prototype.

10. What else is needed

The work has not yet had the benefit of active Scottish Government involvement.

For the **strategic investment : disinvestment** approach to deliver what it is designed for and for it to realise its wider potential, the Scottish Government needs to be involved:

- Development of the optimum propositions framework - to provide clarity on what aspects government need to be amplified
- Development of the optimum assessment matrix – to ensure it reflects government's priorities and therefore can support effective decision-making.
This will allow propositions for change to be developed into strategic investment : disinvestment proposals/
- Financial modelling based on analysis of the budget and inclusion of related management information. This will help identify cross-portfolio opportunities, informed by planned spend.
- Involvement in the design of the tech prototype to ensure it is useful in informing the Scottish Budget process
- Exploration with others, including CoSLA on whether the investment : disinvestment approach can be used to establish a shared set of outcomes and indicators by a specific date (e.g. 2030) is ongoing.
- Work to inform consideration of any propositions generated as a result of the co-authored letter sent on 9 September to local authorities from the Directors of Public Service Reform, Children and Families, Tackling Child Poverty.

For pace to significantly increase, government must be involved.

Appendix 1 – Approach and example proposition

The **strategic investment and disinvestment** approach continues to be developed collaboratively with buy-in from a wide range of organisations. The methodology has been tested and builds on learning from international best practice.

What follows is an outline of the process/questions and a set of initial example propositions. These initial example proposals need more work if approved to the next stage, but are intended to illustrate:

- the type of cross-policy and multi-system propositions the model is generating
- emerging thinking on the assessment matrix as it evolves to hone propositions into proposals
- work on financial modelling of investment and disinvestment
- how the model can be used on the current 'system'

Propositions would be set out following a framework template drawing on what matters to Scotland and what is working internationally, to enable comparisons. The two that were muted as possibilities to pursue at the Cabinet Sub Committee in April are set out as examples below. Both require more work.

Example proposition framework – Mothers in prison

1. Purpose of the proposition

- To prevent mums from going into prison wherever possible and supporting them to stay at home with their children where safe to do so.

2. Rationale

- Outcomes for mothers and children where the mother is in jail, are poor.
- There is scope to both prevent poorer outcomes and avoid the need for more expensive crisis response. financial cost of custodial sentencing is significant, the human cost is greater.
- Only 1 in 20 children stay at home when a mum is in prison.
- There are relatively low numbers of families involved meaning that change is possible.
- There is fit with Scottish Government priorities.
- There is significant pressure on the existing prison estate and on related systems which this approach could contribute to alleviating.

3. Who benefits and who does not?

Those who will benefit under the new approach are:

- Mothers who may have been at risk from going to jail
- Children who risk becoming care experienced due to their mother going to jail.
- Taxpayers who would have less to contribute to dealing with failure demand and the economic costs associated with poorer outcomes and
- Taxpayers who would gain from increased contribution from mothers and their children.

Those who will lose from the new approach are:

- Prison resources and associated justice sector costs

4. Summary evidence base of current position

- The financial cost of custodial sentencing is significant, the average cost per prisoner in Scotland is £37,334.
- Only 1 in 20 children stay at home when a mum is in prison. If each mother in prison has 2-3 children, that is approximately 403 children in care.
- There are approximately 282 women in prison in Scotland and an estimated 170 of these are mums.
- Children and young people whose parents are imprisoned are more likely to become 'looked after' and 'accommodated' than the rest of the general public. (sources including [here](#))

5. Local and national experience

Based on data in Dundee and on progressive sentencing other locations.

6. Readiness

Reducing spending on services which result in significant negative impacts on people's lives, that are costly, and which rely on services which are unsustainable, will result in benefits. There are of course challenges to negotiate, but the proposition will set out the route map to implementing the necessary changes.

7. Timeframe

No legislative change is required, this could be progressed immediately.

8. Evidence on preventative approaches

There is a strong evidence base for preventative approaches in relation to this proposition. The table below summarises the approach:

Potential Beneficiaries	Potential interventions	Preventative opportunities	Potential impact measures
Strand 1 - Preventing care experienced people entering the adult justice system			
Children and Young People currently in Care system	• Diversion – targeted intervention and support for people with experience of the care system to divert them from the justice system • Community Orders – targeted intervention and support for people with experience of the care system to help them complete community orders and desist from offending. Lvl 1 UPW intervention identified as a potential option. • Sentencing guidelines – development of new sentencing guidelines specifically focused on community sentences and people with experience of the care system	Secondary and tertiary prevention – preventing escalation of offending and reoffending	Number of children referred to CR on offence grounds who go on to receive criminal conviction
Adults who have historic experience of the care system		Secondary and tertiary prevention – preventing escalation of offending and future reoffending	Number of people in prison reporting care involvement Number of people serving community sentence reporting care involvement

Strand 2: Preventing children and young people entering care due to their parents' involvement in the justice system

Children and Young People not currently in care system	• Child impact assessment pilot – assessment of pilot approaches currently underway, establishing opportunities for national roll-out. • Diversion & Community Order Support – target support for women at risk of prison with children to mitigate risk of child entering care. Could utilise child and family impact assessment, targeted at women at risk of prison. Enhanced Combination Order used in Northern Ireland could form a basis for the model. • Family Drug and Alcohol Courts – pilot approach based on English and Welsh experiences. Would combine welfare-based Children's Hearing system with criminal courts. • Sentencing Guidelines – guidelines specifically targeted at sentencing parents	Primary – maintaining and improving relationship with primary carer and addressing parental offending to prevent them entering the care system	TBC
Children and young people who are currently in the care system	• Domestic Abuse Interventions – integrate family support element to Caledonian specifically targeted at supporting families where there is a risk of child entering care system. • Interventions to re-establish contact etc. once child already in care – throughcare support provided by new national voluntary sector partnership an opportunity.	Secondary and tertiary – re-establishing or repairing relationship with former primary carer, whilst addressing parental offending, to support exit from the care system or deepening involvement in care system (e.g. moving from kinship to foster)	Number of children in the care system
Parents in contact with the justice system	• Domestic Abuse Interventions – integrate family support element to Caledonian specifically targeted at supporting families where there is a risk of child entering care system. • Interventions to re-establish contact etc. once child already in care – throughcare support provided by new national voluntary sector partnership an opportunity.	Secondary and tertiary – would expect to see benefits for parents in reduced offending etc.	Number of People in Prison (Women specifically)

9. Cost benefit summary table

N.B. populating this table needs data from the Scottish Government

	Current model	New model
Activity		
Mothers in jail	170	0
Estimated children in care as a consequence of mum being in jail	403	0
Likelihood of being taken into care if your mother goes to jail	19/20	0
Costs		
Average cost per mother for justice aspect (assuming there is still a community-based sentence)	£37,334	£12,000
Overall estimated cost for mothers in prison estate	£6,346,780	£0
Overall cost of community sentences	£0	£2,040,000
Cost of children being taken into care because of mother going into jail	£ to add	£0
Support costs based on the preventative options set out above		
As yet unquantified costs (to populate)		
Improved outcomes for mothers		
Improved outcomes for children		
Taxpayers from reduction in spend on failure demand within the justice system		
Tax gain from increased productivity of care experienced mothers and their families		
Loss of income for private landlords		
Reduction in funding for temporary housing related services		
Reduction in funding for homelessness services		
Total cost of system now		
Total cost of revised system		

- * <https://committees.parliament.uk/writtenevidence/122239/default/> The 2016-2017 cross-government study referenced previously found that a typical community sentence for women (7-month community sentence) in 2015-16 cost around £12,000, just over half the cost of a typical prison sentence.

10. Risk

- Analysis to be completed.

11. Policy mapping

- Scottish Government:
 - Vision for Justice
 - National Strategy for Community Justice
 - Community Justice Performance Framework -
 - Equally Safe: Scotland's strategy for preventing violence against women and girls -
 - Scottish Prison Service:
 - Families Strategy and Parenting Support Policies
 - SHORE standards
- Social Work Guidance and Standards (here):
 - Justice Social Work National Outcomes and Standards - Currently under review.
 - Supervised Bail Guidance
 - CPO Practice guidance
 - SDS Guidance
 - CJS Diversion Guidance –Work currently underway to review
 - Throughcare
 - DTO guidance
- Scottish Sentencing Commission and Guidelines – In particular sentencing of young people guidelines f
- Lord Advocate's Guidelines – in particular, guideline on sentencing children
- In addition to these three key recent pieces of legislation are likely to have a bearing on people in the justice system:
 - Bail and Release from Custody Act
 - Management of Offenders Act
 - Presumption Against Short Sentences
- The Scottish Government has also recently announced an independent review of sentencing and penal policy that may provide opportunities for future developments.⁸

Local Policy

- At a local level, much justice activity will be driven by local community justice partnerships, of which there are 30 across Scotland.
- CJOIPs – Each area is responsible for producing a Community Justice Outcomes Improvement Plan (CJOIP) setting out their community justice activities to fulfil the outcomes and objectives set out in the National Strategy for Community Justice. A review of current CJOIPs by CJS has shown little specific attention to the intersection of the care and justice systems.
- Any additional modelling of the local policy context has not been possible within the time available.

⁸ <https://www.gov.scot/news/independent-review-of-sentencing-and-penal-policy/>

Example proposition framework – Safe home

1. Purpose of the proposition

- ensure care experienced young people have a settled home within a community.
- To eradicate homelessness and temporary housing for care experienced young people.

2. Rationale

- comparatively poorer housing related outcomes for care experienced young people vs the rest of the population, which has been well evidenced.
- The relatively low numbers of young people involved meaning that change is possible.
- The support needed is vulnerable due to current financial and demand pressures.
- There is scope to both prevent poorer outcomes and avoid the need for more expensive crisis response.
- There is fit with Scottish Government priorities.
- There is significant pressure on the existing housing and support system which this approach could contribute to alleviating.

3. Who benefits and who does not?

Those who will benefit under the new approach are:

- Care experienced young people.
- Taxpayers who would have less to contribute to dealing with failure demand and the economic costs associated with the poorer outcomes for care experienced young people
- Taxpayers who would gain from increased contribution from care experienced young people.

Those who will lose from the new approach are:

- Landlords who currently own temporary accommodation.
- Homelessness services and support that are effectively supporting failure demand.
- Temporary housing related services that are supporting failure demand.

4. Summary evidence base of current position

- There are approximately 250,000 care experienced adults in Scotland.
- Young people with care experience are statistically more likely to experience homelessness than young people in the general population and be in temporary accommodation without support to live independently ([Celcis](#); [Who Cares Scotland](#))
- Despite changes in the legislation, the average age of 'leaving care' remains between 16 and 18.
- Care experienced adults are more than twice as likely to have experienced homelessness as their non-care experienced peers ([Follow the Money](#)).
- Young people leaving care are often placed by their corporate parent (local authority) in a temporary furnished flat. This reduces the chances of the young person having stability which in turn reduces the likelihood of them being able to fully engage in education and employment.
- Support for helping care experienced young people to learn to manage day-to-day responsibilities, is minimal. This is not a priority area for funding, with small funding

amounts offered to charities to help young people. This is sporadic and patchy across Scotland, and vulnerable due to financial and demand pressures.

- It is difficult to navigate the financial supports available to care leavers or understand eligibility. It is welcome that the Scottish Government is considering a 'Care Leaver Payment'.

5. Local and national experience

- Shetland: The challenges are more visible in rural communities for young people who are not supported with transitions into adulthood from care.
- Renfrewshire and South Lanarkshire: Both areas are demonstrating positive progress around keeping the promise and support for young people leaving care.
- Several agencies have evidenced the levels of need, analysed real world experience and implemented some efforts to improve the situation. For example, [FourSquare](#) has evidenced the impact of providing proper support for care experienced young people to live independently.

6. Readiness

Reducing fragmented funding at a local level could enable greater collaboration and more joined-up services which are easier to navigate for care leavers. For example:

- harnessing the role of third sector interfaces to provide access to grants for education progression,
- children and family social work services working alongside housing,
- improving access to advocacy services for care leavers,
- improved access to health and dental care.

7. Timeframe

- No legislative change is required, this could be tested and piloted immediately.
- There is work ongoing to develop an Adulting strategy which in the long-term will require legislative changes but many of the actions required could start before the Promise Bill.

8. Cost benefit summary table

N.B. populating this table needs data from the Scottish Government

	Current model	New model
Quantifiable figures		
Activity		
Costs		
Homelessness support for young people		
Temporary housing support for young people		
Loss of income for private landlords		
Reducing in funding for temporary housing related services		

Reducing in funding for homelessness services		
Investment in housing and support		
Investment in advocacy support		
Investment in health support		
Investment in FE and employability		
Unquantifiable/unquantified figures		
Improved outcomes for care experienced young people		
Tax gain from increased productivity of care experienced younger people	Follow the Money estimated Scotland has lost income tax and national insurance because of care experienced people having lower incomes in the region of £732m.	
Total cost of system		

9. Impact measures

- Number of care experienced people who become homeless on leaving care
- Number of care experienced people who move to temporary accommodation on leaving care.
- Outcome measures for care experienced young people.
- Risk to be completed.

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