

**Better Courts:**  
the financial impact of the London  
Family Drug and Alcohol Court

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# Executive Summary

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Family Drug and Alcohol Courts (FDACs) are rooted in the idea of problem-solving justice, in which courts use their authority to address the complex social issues that bring people before them. FDACs specialise in hearing cases where local authorities are applying to remove children from their families due to substance misuse. They are run by specially trained, dedicated judges who provide direct, ongoing supervision and support to parents in recovery. The judges work closely with a team of social workers, psychiatrists, substance misuse workers and other professionals who offer a personalised package of support and treatment that gives parents the chance to overcome their addiction and show that they are capable of caring for their children.

The UK's first FDAC was launched in 2008 in London and today supports more than 40 families a year. The Department for Education has supported the rollout of the FDAC model, and today eight FDAC clusters are in operation, serving 19 local authorities at 12 courts, with more sites in development.

FDAC has been shown to have better outcomes than normal care proceedings. In 2014, an evaluation report by Brunel University concluded that compared to standard proceedings:

- Children whose cases are heard in FDAC are less likely to be taken into care permanently;
- Parents in FDAC are more likely to cease their drug use;
- Children in FDAC are less likely to experience further neglect and abuse.

## **The value for money of FDAC**

Our new analysis demonstrates that FDAC saves the state money. Across the 2014/15 caseload, the London FDAC cost £560,000 (in respect of specialist staff salaries, office costs etc.) and generated estimated gross savings of £1.29m to public sector bodies over five years. In other words, for each £1 spent, £2.30 is saved to the public purse. These cashable savings accrue primarily from FDAC's better outcomes: fewer children permanently removed from their families, fewer families returning to court and less substance misuse. The savings generated by FDAC exceed the cost of the service within two years of the start of the case.

### *Immediate savings*

In 2014/15, London FDAC initiated 46 cases at a cost per case of £12,170 on average. However, the upfront costs of the service are partially offset during proceedings because FDAC saves money on legal costs and experts witnesses and assessments. These immediate savings mean that the effective cost of the service was only £5,825 per case on average.

### *Longer-term savings*

Drawing on the outcomes described in the 2014 Brunel evaluation and information on costs collated from a variety of sources, we conclude that in the five years following the commencement of an FDAC case the court will generate three types of long-term savings compared to standard proceedings:

- FDAC keeps more children with their families. This saves public money that would otherwise be spent on taking children into care. This amounts to an average of £17,220 per case;
- Families who appear in FDAC are less likely to return to court. FDAC therefore saves money on future court costs. Savings in the cost of parents returning to court either after reunification or with future children are £2,110 per case on average.
- More parents in FDAC overcome their drug and alcohol addictions. This creates savings for the NHS due to reduced long-term need to provide drug treatment; and to the criminal justice system due to reduced drug-related crime. These savings amount to £5,300 per case on average.

However, there are also two areas where FDAC costs more than standard proceedings. Firstly, more parents take up substance misuse treatment during the court proceedings which incurs a cost of £2,485 per case on average. Secondly, as more children remain with their families there is an additional cost of supporting those families which is on average £460 per case.

Taking all of these factors together, over five years the net financial saving relating to the FDAC in 2014/15 caseload is some £729,000, which equates to £15,850 per case on average.

### **About this analysis**

This analysis focuses on the direct costs and savings to local authorities and other state stakeholders and does not include wider savings and benefits that could be attributed to societal outcomes (such as citizens' well-being). It is modelled on the London FDAC 2014/15 caseload, which consisted of 46 cases which began proceedings in the 2014/15 financial year. We have looked at the financial impacts in proceedings and for five years following the commencement of cases.

In developing these estimates, we have drawn on outcomes data gathered by Brunel University as part of their 2014 evaluation (Harwin et al., *Changing Lifestyles, Keeping Children Safe: an evaluation of the first Family Drug and Alcohol Court in care proceedings*). The Brunel study used a sample of 90 families going through FDAC (during 2008-2010), in comparison to 101 similar families going through standard care proceedings (during 2008-2012), plus a one-year follow-up on a smaller sub-set. This has been combined with cost data gathered from a number of sources, which are described in the relevant parts of the text.

A key assumption of this analysis is that the impact of FDAC in 2014/15 was the same as that observed by Brunel in 2008-2010. Further analysis of long-term FDAC outcomes (such as the number of children returned to parents who are the subject of further court proceedings) is currently being undertaken by Brunel University, and the analyses presented here are subject to change in the light of that research.

All monetary figures (unless otherwise stated) are presented in terms of 'net present value', in which the value of future savings is lessened to reflect a greater preference to have savings sooner rather than later. In calculating we have used a discount rate of 3.5% in line with HM Treasury guidance.

# 1. BACKGROUND

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## About FDAC

Family Drug and Alcohol Courts (FDACs) provide an integrated legal, social care and health response to care proceedings cases where parental substance misuse is a factor. FDACs take a therapeutic, problem-solving approach that aims to achieve long-term improvements for children and parents.

The UK's first FDAC was launched in 2008 in London and today supports more than 40 cases per year. The Department for Education has supported the rollout of the FDAC model, and by the end of March 2016 a total of 8 FDAC clusters will be in operation, serving 19 local authorities across 12 courts with more sites in development.

## Methodology

This analysis sets out a projection of the financial impacts of the FDAC model for public sector agencies. It focuses on the London FDAC 2014/15 caseload: 46 cases which began proceedings between April 2014 and March 2015. We have looked at the financial impacts both in proceedings and for a period of five years following the point of entry into FDAC. Therefore, total estimated savings represent those realised between 2014/15 and 2018/19.

We have focussed on the costs and savings to local authorities and public bodies, rather than wider savings that could be associated with social outcomes such as improved well-being for families. We compare projected costs and savings against what would have been incurred had the FDAC caseload been processed through standard proceedings.

In developing these estimates, we have drawn on outcomes data gathered by Brunel University as part of their evaluation of the London FDAC.<sup>1</sup> The study examined a sample of 90 families going through FDAC during 2008-2010, compared to 101 families going through standard care proceedings where substance misuse was a key factor in similar London boroughs during 2008-2012. A smaller sub-set of families was followed up one year after care proceedings ended. The study found:

- 40% of FDAC mothers (35 out of 88) were no longer misusing substances at the end of proceedings, compared to 25% for standard proceedings (24 out of 95) (p6);
- 25% of FDAC were no longer misusing substances at the end of proceedings – 25% for FDAC, (13 out of 52), versus 5% for standard proceedings, (2 out of 38), a difference of 20% (p6)<sup>2</sup>;
- Children remained with parents at the end of proceedings – 36% for FDAC, (32 out of 90 mothers), versus 24% (24 of 101) for standard proceedings, a difference of 12% (p6);
- Mothers avoiding relapse in the year after care proceedings – 75% for FDAC, (18 out of 24), versus 56% (10 out of 18) for standard proceedings, a difference of 19% (p9).

From this we have calculated that the proportion of cases where children are safely returned to their parents with no recurrence of neglect and abuse is 27% for FDAC and 11% for the comparator group, a difference of 16.2%.<sup>3</sup>

We have assumed that the impact of FDAC in 2014/15 will be the same as that observed in the Brunel study. Further work is currently in train to provide more up to date estimates of long-term outcomes and so our estimates of impact are subject to change. We further assume that each case will, on average, involve 1.4 children, and hence a caseload of 46 will involve 65 children.

We present all of our estimates in terms of 'net present value', in which the value of future savings is lessened to reflect a greater preference to have savings sooner rather than later. This enables the calculation of a single consistent monetary metric – the 'net present value'. In producing this consistent metric, we have used a discount rate of 3.5% in line with HM Treasury guidance.<sup>4</sup>

### **Data used in analysis**

In undertaking this modelling process, our analysis draws in particular on:

- The evaluation of London FDAC outcomes conducted by Brunel University (see above);
- Data on the costs associated with hearing care proceedings cases provided by a range of local authorities; and
- Data on costs associated with placements and other forms of child protection activity compiled by the Personal Social Services Research Unit<sup>5</sup>, which draws on analyses conducted by the Childhood Wellbeing Research Centre at Loughborough.

### **Costs and savings excluded from the analysis**

A variety of aspects of value have been excluded from this analysis:

- Costs to the Legal Aid Agency of legal representation for parents and guardians may be lower in FDAC, given the use of non-lawyer review hearings and a more consensual style which stakeholders suggest reduces the number of contested final hearings. However, data on these areas is not available at this time.
- FDAC can achieve significant well-being improvements in families' experiences of the justice system - as illustrated by a quote from a judge to a parent recorded in Harwin et al. (2014) *"This court is different. We don't do conflict. We minimise hostility. This is about solving problems."* This issue is, however, excluded from our analysis as it does not directly relate to savings to the state.
- Equally, reduced substance abuse may lead to greater short-term well-being for children (see for example Solis et al, 2012<sup>6</sup> and Bancroft et al, 2004<sup>7</sup>). However, these factors are not included in our analysis as they cannot be linked directly to savings to the state.
- By improving child wellbeing, FDAC can facilitate better educational attainment and hence improved life chances in employment. Although potentially highly important this is a medium to long-term issue that is outside the scope of our analysis.

## 2. THE FINANCIAL IMPACT OF FDAC

In 2014/15, the London FDAC service heard 46 cases at a total cost of £560,000 in respect of such costs as specialist staff salaries and office costs, at an average of £12,170 per case. We have assumed that budget costs are equal to expenditure. We have modelled costs over a five-year period, assuming that the first six months represent the period if proceedings, and then the subsequent four and a half years relate to costs of placements, adoptions or returns to the family.

Based on our model we estimate that by hearing these cases in FDAC as opposed to standard proceedings, savings worth a total of £1.29m were generated for public sector bodies – an average of around £28,000 per case. This equates to net savings of around £729,000 after the costs of the FDAC team are taken into account, an average of £15,850 per case. We estimate that savings generated by FDAC will cover the initial outlay within two years of the case entering proceedings. Table 1 breaks down the costs and benefits associated with London FDAC.

**Table 1: Short and medium-term costs and savings generated by the London FDAC caseload in 2014/15 as compared to standard proceedings**

	Cost Area	Organisation affected	Financial impact	
			Costs	Savings
Proceedings-related impacts	1 – Direct costs of the FDAC service	Local Authority	£559,770	
	2a – Reduced cost of local authority legal representation	Local Authority		£201,925
	2b – Reduced cost of expert witnesses and external assessments	Local Authority / Legal Aid Agency		£89,930
<b>Net proceedings costs</b>			<b>£267,920</b>	
Post-proceedings impacts	3 – Increased costs of support for reunited families	Local Authority / NHS	£21,165	
	4 – Increased cost of substance misuse treatment for parents during proceedings	NHS	£114,310	
	5 – Reduced cost of post-proceedings care due to more children being returned to their parents	Local Authority		£791,970
	6 – Reduction in numbers of reunited families returning to court	Local Authority		£26,540
	7 – Reduction in numbers of parents who go on to have subsequent children removed	Local Authority		£70,440
	8 – Reduced requirement for post-proceedings substance abuse treatment for parents	NHS		£159,915
	9a – Reduced cost to the criminal justice system of substance misuse related crime <sup>8</sup>	Criminal Justice System		£77,790
	9b – Reduced cost to the NHS of substance misuse related crime	NHS		£5,850
	<b>Net post-proceedings savings</b>			<b>£997,030</b>
<b>Total net savings</b>			<b>£729,115</b>	



Across the rest of this section, we explore each of these costs in more detail.

## 1. The direct costs of the FDAC service

Based on budget figures provided by the FDAC team, in 2014/15 the core budget for the London FDAC team was around £560,000, for an average cost of £12,170 per case. This covered the costs of employing the staff of the specialist support team and overheads associated with their work. Payments from 6 local authorities accounted for £523,000 of the expenditure, with a grant from the Hadley Trust supplementing the income by a further £37,000.

Costs and volumes of the FDAC service appear to be reasonably steady. However, the average cost in 2014/15 is lower than that seen in previous years. In 2013/14, the cost per case was £12,695<sup>9</sup> on average, and in 2012/13 it was £13,130.<sup>10,11</sup>

## 2. Proceedings costs

FDAC has the potential to impact on the costs associated with care proceedings in two key ways:

- The use of non-lawyer review as the principle type of hearing in FDAC, and the reduction in contested hearings associated with FDAC, has the potential to impact the cost of legal representation;
- The FDAC team provide regular reports to the court on the progress of families, reducing the need for expert witnesses and other external assessments.

In looking at legal costs we have focussed on the cost of local authority legal representation. Although we would expect to see reductions in the costs to the Legal Aid Agency of representation for parents and children, no data is currently available in respect of this. To estimate the impact on local authority legal costs we have drawn on:

- Data from a 2012 report by Ernst & Young with Ryan Tunnard Brown<sup>12</sup> which gives the average cost of local authority legal representation under FDAC being £10,030 (p23). Updated by 6% for inflation, this amounts to £10,620 per case in 2014/15;
- Data provided by Kent County Council showing average cost of local authority legal representation in a sample of FDAC-suitable cases heard in standard local proceedings in 2014/15 being £15,010.<sup>13</sup>

To estimate the impact on external assessments for FDAC, we used:

- Estimates of external assessments in 65 FDAC cases from 2014/15, which amounts to a cost of around £400 per case;
- Data on the cost of external assessments in seven London boroughs<sup>14</sup> suggests that comparator processes involve an average of 1.9 expert assessments per case, costing at least £2,355 per case.<sup>15</sup>

Applied to the FDAC London 2014/15 caseload of 46 cases, these calculations suggest that the total impact on proceedings costs was as shown in table 2 below.

**Table 2: Local authority pre-proceedings and proceedings costs for the FDAC 2014/15 caseload (net present value calculations)**

Cost	FDAC	Standard proceedings	FDAC savings
Local authority legal representation	£488,520	£690,445	£201,925
External assessment	£18,400	£108,330	£89,930
<b>Total</b>	<b>£506,920</b>	<b>£798,775</b>	<b>£291,885</b>

These data indicate a cost to local authorities for pre-proceedings and proceedings in terms of legal representation and external assessment for standard proceedings of the order of £17,365 per case compared to £11,020 in FDAC.

### 3. Costs of supporting reunited families

When a child remains with their family at the end of care proceedings, public services are likely to incur some costs in supporting the reunited family with services such as parenting support and mental health support<sup>16</sup>. FDAC increases the number of children who remain with their families, which means that it leads to higher spending on supporting reunited families.<sup>17</sup>

Our calculation, based on unit cost data from Curtis (2014), CAMHS benchmarking report (2013) and indicative estimates of support activity volume, is that, on average, the costs to the public purse in respect of supporting reunified families after care proceedings amounts to some £5,475 per case.

**Table 3: Estimating the cost of supporting a reunited family<sup>18</sup>**

	Unit cost of activity	no. of units (year 1)	no. of units (year 2)	no. of units (year 3)	Total cost	Total cost (NPV)
Care planning	£565	1.0	0.5	0.25	£989	
Support	£1750	1.0	0.5	0.25	£3,062	
CAMHS	£4,160	0.2	0.1	0.00	£1,248	
Parenting programmes	£890	0.3	0.0	0.00	£267	
<b>Total</b>					<b>£5,566</b>	<b>£5,475</b>

Some three-fifths of the reunification costs occur during the first year. Based on our caseload of 46, and using the outcomes of Harwin et al (44% returned in FDAC proceedings versus 36% for standard proceedings)<sup>19</sup> we would expect to see 20 families reunited by FDAC, compared to 16.5 if their cases had been heard in standard proceedings.

**Table 4: Costs of reunification support for the London FDAC 2014/15 caseload compared to standard proceedings (net present value)**

	FDAC	Standard proceedings	Additional cost for FDAC
Number of families reunited	20.3	16.5	
Cost of reunification support per case	£5,475	£5,475	
<b>Total</b>	<b>£114,910</b>	<b>£93,045</b>	<b>£21,165</b>

### 4. Substance misuse treatment during FDAC proceedings, compared to standard proceedings

A significantly larger proportion of FDAC parents access substance misuse treatment over the course of proceedings, than parents in standard proceedings. While this is clearly positive, it does increase the amount spent on treatment during proceedings. Our model suggests that under FDAC, £114,310 more was spent in 2014/15 on substance misuse treatment.

Harwin et al (2014) (p7) reports that 58% of FDAC fathers (28 out of 48) were offered treatment, compared to 27% of fathers (17 of 64) in standard proceedings; and that 95% of FDAC mothers (52 out of 55) compared to 55% of mothers in standard care proceedings (45 of 82) were offered access to substance misuse services during the duration of proceedings, in addition to the services offered directly by FDAC.

We estimate the cost of such treatment per adult to be £3,500. More details of this calculation can be found in the annexes in table A2.1.

Based on data on the take up of treatment and the cost of treatment, table 5 below sets out the projected impact of FDAC on treatment costs during proceedings.

**Table 5: Incidence and cost of substance misuse treatment over the 1st year for the London FDAC 2014/15 caseload as compared to standard proceedings (net present value)**

	FDAC	Standard proceedings	Additional cost for FDAC
Number of fathers accessing treatment	26.7	12.4	
Number of mothers accessing treatment	43.7	25.3	
Cost of treatment per parent	£3,500	£3,500	
<b>Total cost of treatment</b>	<b>£246,330</b>	<b>£132,020</b>	<b>£114,310</b>

## 5. Final care placements

We calculate that children were returned to or remained with their parents at the end of proceedings on a safe and secure basis in 26.7% of FDAC cases (18 out of 67), compared to only 10.5% of the comparison group (8 out of 76) – a difference of 16.2% (for details of calculations see Annex 1). For the purposes of this report, we define a safe and secure return as one where there is no recurrence of neglect or abuse.

This increase in the number of children safely and securely returned has the potential to create major savings in the cost of care.

In order to model this saving, we consider:

- The difference in the number of children reunited with their parents and how we would expect this to change over time;
- The cost of caring for children removed from their parents; and
- The resulting difference in costs between FDAC and the standard proceedings.

### *Difference in number of children living with their parents over time*

35.6% of FDAC cases ended with children returned to parents, compared to 23.8% of the comparison group – a difference of 11.8%. However, not all of these children will remain with parents.

In a study of outcomes for children reunited with parents after proceedings, Farmer and Lutman (2010)<sup>20</sup> found that at the five-year follow-up “65% of the returns home of 138 children in the study had ended”, while at the two-year follow-up “59% of the children had been abused or neglected after reunification” (p2). Although the case-mix of issues in this study differs somewhat from that of the FDAC cohort, this still suggests that instances of abuse or neglect after two years are a very strong indication that the child will need to be removed from parents at a later stage.

In relation to the cohort considered in this study, Harwin et al (2014) (p6) identify at a one-year follow-up period after proceedings that abuse or neglect was observed in some 26% of reunifications for FDAC families, compared to some 56% of reunifications for standard proceedings (a difference that reached statistical significance).

Our modelling therefore takes the initial difference in the number of reunified children (11.8%), and then examines the implications of divergent rates of intervention by children services. In particular, the finding by Farmer and Lutman (2010) is consistent with an assumption that all those children in the standard proceedings sample (i.e. 56%) who were observed as being at risk of abuse or neglect within one year are removed from parents within five years after the court decision is made.<sup>21</sup>

We assume that the court decision is made at the target point for length of care proceedings, namely at 26 weeks, so that placements are initiated at the start of month 7 within our five-year timescale. As set out in Annex 1 data suggests that because FDAC placements are more stable, the difference in the number of children residing with their parents will increase 0.9% of families (see Annex 2, p23) each year from 2-5. Translated into outcomes for children, this equates to 7 more children with their parent at the end of proceedings under FDAC, rising to 9 more children reunified four years later.

### *Savings in placement costs per successfully reunited child*

In modelling the cost per case per successfully reunited child, we have looked at the range of different care placements used after removals in both the FDAC and comparison group. The breakdown of care placements was similar amongst the children removed from both groups<sup>22</sup>. Consequently, we have assumed that FDAC does not affect the choice of care placement when children are removed, and have aggregated the two groups to create a more robust breakdown of placement outcomes for children removed from FDAC families.

The breakdown of placements (taken from Harwin et al, 2014) and associated costs (taken from Curtis 2014, which in turn draws on research from the Childhood Wellbeing Research Centre at Loughborough University) is laid out in table 6. For further details see Annex 2, page 18.

**Table 6: Breakdown of out-of-family placement outcomes for FDAC-eligible cases and associated costs following the order being granted**

Placement outcome	Proportion of caseload <sup>23</sup>	One-off cost per placement	Ongoing (annual) cost per placement
With relatives - Special Guardianship Order	36.6%		£11,800
Looked after - foster care	22.0%		£49,610
Looked after - residential care	0%		£154,650
Placement order – adoption	51.4%	£33,460	£7,430

For this model we are looking not only at children removed at the end of proceedings, but also those children who are initially returned to their parents and then removed at a later date. Table 7 shows how the cost of care within our five-year analysis period varies depending on when a child is removed from the family. Costs decrease less than proportionally due to one-off adoption costs.

**Table 7: Cost per out-of-family placement according to point of removal (net present value)**

	Apportioned cost
Removed at proceedings	£96,170
Removed during year 2	£77,880
Removed during year 3	£59,590
Removed during year 4	£41,305
Removed during year 5	£23,020

***Difference in placement costs between FDAC and comparator group***

Our analysis then proceeds as follows:

- Difference in proportion of cases where child is with family safely and securely – 11.8% in year 1, rising to 16.2% in year 5;
- Number of cases overall is 46, and number of children overall is 65;
- Additional children residing with their parents due to FDAC is 7.6 in year 1 (calculated as: 11.8% \* 65), rising by increments of 0.6 children per year to 9.9 in year 5<sup>24</sup>;
- Total saving based on additional children multiplied by apportioned cost for when that child is removed - £791,970 in net present value terms (see table 8).

**Table 8: Analysis of savings on placements**

	FDAC – children remaining with family	Comparator – children remaining with family	Difference – (FDAC versus comparator)	Difference – (change in FDAC versus comparator)	Saving in placement costs (net present value)
Year 1 onwards	23.0	15.4	7.6	7.6	£687,750
Year 2 onwards	21.8	13.6	8.2	0.6	£40,990
Year 3 onwards	20.7	11.9	8.8	0.6	£30,810
Year 4 onwards	19.5	10.2	9.3	0.6	£20,970
Year 5 only	18.4	8.5	9.9	0.6	£11,460
<b>Overall</b>			<b>9.9</b>		<b>£791,970</b>

The total cost of placements under FDAC is £3.97m, compared to a cost of placements under standard procedures of some £4.76m. It should be noted that further savings would be identified if a longer time-scale had been used in the value for money analysis.

**6. Return of reunited families to court**

Table 8 indicates that, between years 2 to 5 in our five year analysis, the FDAC 2014/15 caseload will have on average 2.3 less children<sup>25</sup> removed from their parents after being initially returned than would have been the case in standard proceedings. Assuming a ratio of 1.4 children per case, this implies an expectation of some 1.6 cases involving the return of reunited families to court.

We have earlier noted (p8) a cost to local authorities for pre-proceedings and proceedings in terms of legal representation and external assessment for standard proceedings of the order of £17,365 per case. A further factor to take into account is a court fee of £410.<sup>26</sup> Therefore, our assessment of savings equates to 1.6 cases \* £17,775 = £28,900. In net present value terms, this is equal to £26,540.<sup>27</sup>

## 7. Removal of subsequent children from parents who have children removed

Harwin et al (2014) indicates that some 40% of mothers, both among those undertaking FDAC and among the comparator group, had previously had a child removed from them. There is, therefore, a high risk that any future children of parents who have children removed from either sample will also be the subject of care proceedings – particularly in cases where substance misuse and other issues are not addressed over the course of proceedings.

Since 56% of FDAC cases involve the child being removed from the family, compared to 64% of the comparator group<sup>28</sup>, this suggests that, for a cohort of 46 families, something like 26 mothers are at risk under FDAC, compared to 30 mothers for the comparator.

Our analysis in quantifying the extent of that risk draws on the results from a 2015 working paper by Broadhurst et al of Manchester University<sup>29</sup>. This examines the likelihood of mothers who have had a child previously subject to care proceedings, to have a later child also subject to proceedings.

Of a large Cafcass sample, 16.1% of mothers connected to care proceedings recorded a repeat episode, and of these 15.1% recorded a second repeat episode.

In order to model the impact of FDAC on repeat removals, we have drawn on evidence around differences in the number of parents still using drugs or alcohol at the end of care proceedings.

Evaluation of the impact of FDAC on the likelihood of repeat removals is ongoing. In order to model this important factor, we link the proportion of mothers who cease using alcohol and drugs as a result of having their case heard through FDAC against the risk of repeat removal.

Our assessment (see Annex 2) in respect of 'first rounds' of repeat removals is that:

- 12.9% of FDAC mothers who have had a child removed will have subsequent care proceedings in relation to a later child, versus 16.1% for mothers in the comparator group.
- 7.8% of FDAC mothers who have had a child removed, versus 9.7% for the comparator group, will have a subsequent child later removed from the family<sup>30</sup>.

In assessing the total numbers of proceedings and cases where children are removed, we (i) multiply these proportions against the number of children, and then (ii) further scale up levels by 15.1%, which represents the probability of a second repeat episode.

Table 9 lays out the projected number of repeat removals we would expect to see amongst the FDAC 2014/15 caseload in the following five years, compared to the number of removals we would expect to see if the same caseload had been processed through standard proceedings.

**Table 9: Projected numbers of returns to court and subsequent removals for the London FDAC 2014/15 caseload as compared to standard proceedings.**

	FDAC	Standard Proceedings	FDAC impact
Mothers at risk	25.7	29.5	
Subsequent care proceedings for mothers who have previously had children removed permanently	3.8	5.5	1.67
Subsequent removals of children for mothers who have previously had children removed permanently	2.3	3.3	1.0

It should be noted, however, that only some 95% of repeat removals would occur within a four and a half year period subsequent to the court decision (and hence within our time-frame).

Calculations set out earlier in this report suggest that bringing a mother to court for further proceedings costs £17,775 in terms of internal legal costs, expert witnesses and court fees for the local authority.<sup>31</sup> There are also further costs in terms of adoption placements, depending on the point at which a child is removed within our five year time-frame.<sup>32</sup> We calculate the average placement cost per child as some £48,110 in net present value terms.

Table 10 lays out the expected spend on repeat care proceedings and placements for the number of cases set out in table 9.

**Table 10: Estimated costs of returns to court and subsequent removals for the London FDAC 2014/15 caseload as compared to standard proceedings (net present value)**

	FDAC	Standard proceedings	Difference - standard proceedings versus FDAC	FDAC saving
Subsequent care proceedings for mothers who have children removed permanently	3.6 children	5.2 children	1.6 children	£26,700
Subsequent removals for mothers who have children removed permanently	2.2 children	3.1 children	0.95 children	£43,740
<b>Total</b>	<b>£160,760</b>	<b>£231,200</b>		<b>£70,440</b>

It should be noted that these estimates may be significantly under-stating the value of FDAC with respect to repeat removals, since:

- The complex nature of the FDAC clients may mean that they would have a higher propensity for a return to court than the general cohort in the Cafcass database;
- The ability of FDAC to achieve improvements in understanding and mind-sets among mothers may well be higher than the differences in substance abuse cessation.

## 8. Reduced costs to public sector due to reduced substance misuse

The higher cessation rates associated with FDAC are likely to produce savings in terms of treatment costs later years, as no further rounds of treatment are needed. Table 11 lays out the costs of substance misuse treatment assuming that 3.6 rounds of treatment are received for those that continue to have problems with substance misuse.<sup>33</sup>

A proportion of 10% cessation for fathers has been applied for those undertaking standard proceedings, rather than 5%, in view of issues in measurement highlighted in the Brunel evaluation.

**Table 11: Incidence and cost of substance misuse treatment following proceedings for the London FDAC 2014/15 caseload as compared to standard proceedings (net present value)**

	FDAC	Standard proceedings	FDAC Saving
Numbers of fathers	34.5	40.3	
Numbers of mothers	27.6	34.5	
Cost of treatment	£7,000	£7,000	
<b>Total</b>	<b>£719,620</b>	<b>£879,530</b>	<b>£159,915</b>

Similar effects in respect to short-term versus medium-term public sector costs are also likely with respect to psychiatric and mental health treatment, however data on this is not readily available, and so these cost categories have not been included in this report.

## 9. Savings to NHS and criminal justice system due to reduced crime resulting from reduced levels of substance misuse

The increased number of parents who become abstinent at the end of proceedings under FDAC will produce ongoing savings for both the NHS and the Criminal Justice System. Using evidence on the criminal justice and health-related costs set out in the NTA report *estimating the crime reduction benefits of drug treatment and recovery*<sup>34</sup> we can estimate the savings generated by FDAC.

We estimate the savings over four years per abstainer as £5,640 for the criminal justice system, and £420 for the NHS. As in the section relating to future rounds of substance treatment, we have assumed a 10% cessation rate for comparator fathers (rather than 5%), in view of measurement difficulties highlighted in the Brunel evaluation.



**Table 12: Savings generated by parents becoming abstinent during proceedings across the London FDAC 2014/15 caseload as compared to standard proceedings (net present value)**

	FDAC (4 years)	Standard (4 years)	FDAC savings (4 years)
Number of parents becoming abstinent	29.9	16.1	
Savings to Criminal Justice System (crime per person)	£5,640	£5,640	
Savings to NHS (reduced crime per person)	£420	£420	
Overall savings to Criminal Justice System			£77,790
Overall savings to NHS costs			£5,850

**Factors not included in the analysis**

One further factor for consideration relates to differences in costs on interim placements. However, when comparing cases in which the child remains with the family subject to a Supervision Order, the difference in proportions (20% for FDAC compared to 21% for the comparator group) is not statistically significant, so we have excluded this category from analysis.

## ANNEX 1: ASSESSING DIFFERENCES IN CASES ACHIEVING SATISFACTORY REUNIFICATIONS

Our starting point for the assessment is to note a difference in the proportion of cases in which there is a return to parents for FDAC cases compared to the comparator group, as shown in table A1.1.

**Table A1.1 Proportion of reunifications**

Cohort	Placement	
	Sample size	Cases where children returned to parents
<b>FDAC</b>		
Harwin et al, 2014: FDAC cohort (p6)	90	35.6%
<b>Comparator</b>		
Harwin et al, 2014: comparison cohort (p6)	101	23.8%

However, the level of satisfactory reunifications should also be taken into account – that is, cases in which continued neglect or abuse no longer occurs. In a follow-up of cases one year on, the Brunel study examined a substantial majority of the cases in which reunification occurred for such outcomes, with results as shown in table A1.2 below.

**Table A1.2 Proportions of satisfactory reunifications**

Cohort	Follow-up			
	Sample size	Maximum possible sample size	Sample size ratio	% of satisfactory outcomes
<b>FDAC</b>				
Harwin et al, 2014: FDAC cohort (p6)	24	32	0.75 : 1.00	74%
<b>Comparator</b>				
Harwin et al, 2014: comparison cohort (p6)	18	24	0.75 : 1.00	44%

Note that the 'maximum possible sample size' for FDAC is 32 since this represents the initial sample size (90) multiplied by the returns to parents (35.6%), and similar logic applies to the comparator. By multiplying the proportion of satisfactory outcomes by the proportion of cases where there is a return to parents, we obtain estimates for the proportion of satisfactory reunifications in the FDAC and comparator cohorts.

The final stage is to collate and analyse the implications that follow from examining the two groups' proportion of satisfactory reunifications. Note that the effective sample size of the two cohorts is taken to be the initial cohort sample size (from table A1.1) scaled down by a ratio of one-quarter (the extent of missing data occurring, as assessed in table A1.2). A key assumption is that the missing data does not bias the calculated proportions of satisfactory outcomes among reunified families.

Table A1.3 shows the proportion of satisfactory reunifications, which relates to the proportion of reunifications multiplied by the proportion of satisfactory outcomes.

**Table A1.3 Proportion of satisfactory reunifications**

	Satisfactory reunifications as % all cases	Effective sample size
FDAC cohort	26.7%	$67.5 = 0.75 * 90$
Comparison cohort	10.5%	$75.8 = 0.75 * 101$
<b>Total</b>	<b>18.1%</b>	<b><math>143.3 = 67.5 + 75.8</math></b>

The standard t-statistic formula for comparing proportions is:

$$(p_1 - p_2) / [(p)(1-p)(1/n_1 + 1/n_2)]^{1/2}.$$

It follows that for respective probabilities 26.7% and 10.5% for FDAC and the comparator group, and respectively 67.5 and 75.8 cases each:

- $(p_1 - p_2)$  is equal to 16.2%, and the weighted proportion,  $p$  is equal to 18.1%;
- The denominator is  $[(0.181) * (0.819) * (1/67.5 + 1/75.8)]^{1/2}$ , equating to 0.0248; and
- The resulting t-statistic is 2.52, which is significant at a 95% confidence level for a two-tailed test, and significant at a 99% confidence level for a one-tailed test.

## ANNEX 2: DETAILS OF CALCULATIONS FOR SELECTED CATEGORIES

### Substance abuse treatment

A key issue is the average cost of drug/alcohol treatment for an individual parent per year. We derive a weighted average cost as shown in table A1.1 below.

**Table A2.1 Treatment costs for substance abuse per person**

		% FDAC caseload	% of standard caseload
Cost for drug treatment p.a.	£3,000	39%	42%
Cost for alcohol treatment p.a.	£1,800	16%	22%
Cost for combined treatment p.a.	£4,800	45%	36%
<b>Average cost</b>	<b>£3,500</b>		

### Final care placements – cost per placement

Based on data in Harwin et al (2014), the number of placements for children at the end of proceedings are set out below. Two children in miscellaneous category have been excluded, while those in temporary placements were allocated to their permanent placements.

**Table A2.2 Placements for all children at end of proceedings (FDAC and Comparator)**

	Number (FDAC)	Number (Comparator)	Total
At home	53	54	107
With relatives	26	34	60
Long-term foster care	13	21	34
Looked after - residential care	0	2	2
Placement order – adoption	28	40	68
<b>Total</b>	<b>120</b>	<b>151</b>	<b>271</b>

Source: adapted from Harwin et al (2014) p71

One point to note is that the proportion of cases involving children being moved out of their family is represented by the calculation  $(271 - 107) \div (271)$ , which is approximately 60.5%.

The proportions of these placement categories, excluding those supported to stay at home, is set out in table A2.3 below.

**Table A2.3 Out-of-family placement proportions for children at end of proceedings**

	Number of children	Proportion (Average)
With relatives	60	36.6%
Long-term foster care	34	20.7%
Looked after - residential care	2	1.2%
Placement order – adoption	68	41.5%
<b>Total</b>	<b>164</b>	<b>100.0%</b>

Source: adapted from table A2.2

The costs that accrue to each type of placement are as follows:

- With relatives – £227 per week (relates to ‘Children supported in families or independently’ in London), Curtis (2014) (p89), which equates to £11,800 per year;
- Long-term foster-care – £954 per week (relates to ‘Children taken into care’ in London), Curtis (2014) (p89), which equates to £49,610 per year;
- Looked-after residential care – Curtis (2014) (p87) cites this as £2,974 per week, which equates to £153,240 per year;
- Adoption costs – Curtis (2014) (p96 and p97) cites on-going costs as £7,430 per year, plus one-off costs relating to costs of adoption processes as £6,640, plus one-off inter-agency costs of £27,000.

This enables us to determine an initial assessment of average cost per child not successfully reunited with their parents as being of the order of £92,150 over four years, as shown in table A2.4 below.

**Table A2.4 Estimating average cost per out-of-family placement**

	Number of children	Proportion (Average)	One-off cost	Cost per year (ongoing)
With relatives	60	36.6%		£11,800
Long-term foster care	34	20.7%		£49,610
Looked after - residential care	2	1.2%		£154,650
Placement order - adoption	68	41.5%	£33,460	£7,430
<b>Total</b>	<b>164</b>	<b>100.0%</b>		
<b>Weighted average</b>				<b>£19,570</b>

However, though it is highly expensive, residential care occurs at a low though highly variable rate.<sup>35</sup> We have, therefore, assumed that the usage shown above should be adjusted so that all residential cases are instead undertaken through long-term foster care. This reduces our estimate of the average cost over four years to £87,025 – see table A2.5.

**Table A2.5 Estimating average cost per out-of-family placement if no residential placements**

	Number of children	Proportion (Average)	One-off cost	Cost per year (ongoing)
With relatives	60	36.6%		£11,800
Long-term foster care	36	22.0%		£49,610
Looked after - residential care	0	0%		£154,650
Placement order - adoption	68	41.5%	£33,460	£7,430
Total	164	100.0%		
Weighted average				£18,290

**Final care placements – changes in proportions of satisfactory reunifications and consequent financial implications**

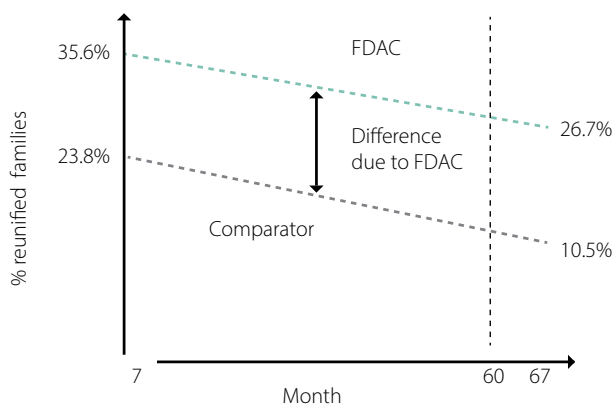
There are two features of the numbers of reunified children that are of interest for this section.

- The difference in initial proportions of reunified cases for FDAC versus the comparator group is smaller than the difference in satisfactory reunified cases (perhaps reflecting a greater willingness to accept risk with respect to children in the comparator group).
- Levels of reunification are not static, and over time better reflect levels of risk faced by children. Lutman, E. and Farmer, E. (2013)<sup>36</sup> reports that ‘almost two-thirds’ of cases involving reunified children break down within five years.

We therefore assume in estimating changes in the proportions of reunifications that all those children initially observed at risk of abuse or neglect within one year are removed from parents within five years.<sup>37</sup>

We assume that the court decision is made at the target point for length of care proceedings, namely at 26 weeks, so that placements are initiated at the start of month 7 within our five-year timescale. Data from Annex 1 suggests a trend in the proportion of reunified families, in which the initial gap in outcomes on reunification is 11.8% of families. In order to achieve a 16.2% gap some five years after the court decision, this implies a 0.9% increase each year, calculated as:  $(16.2\% - 11.8\%) \div (5 \text{ years}) = 0.9\%$ .

**Figure1: Trends in the proportion of reunified families as a proportion of total cases**



Source: derived from Harwin et al (2014), Lutman and Farmer (2013) and own calculations.

Translated into outcomes for children, this equates to 7.7 more children reunified at the start of month 7 (since  $11.8\% * 46 * 1.41 = 7.7$ ), rising to 10 more children reunified by month 55 (four years on from the court order), since  $11.8\% + 4 \text{ years} * 0.9\% * 46 \text{ cases} * 1.41 \text{ children} = 9.9$ .

### Removals of subsequent children from parents who have previously had children removed

There is a high risk that any future children of parents who have children removed will also be the subject of care proceedings – particularly in cases where substance misuse and other issues are not addressed over the course of proceedings.

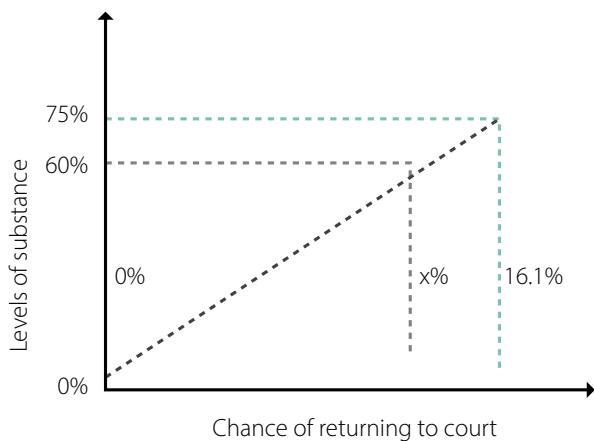
Since 56% of FDAC cases involve the child being removed from the family, compared to 64% of the comparator group<sup>38</sup>, this suggests that, for a cohort of 46 families, something like 26 mothers are at risk under FDAC, compared to 30 mothers for the comparator.

Our analysis in quantifying the extent of that risk draws on results from a 2015 working paper by Broadhurst et al of Manchester University.<sup>39</sup> This examines the likelihood of mothers who have had a child previously subject to care proceedings, to have a later child also subject to proceedings. Of a large Cafcass sample, 16.1% of mothers connected to care proceedings recorded a repeat episode, and of these 15.1% recorded a second repeat episode.

Our analysis proceeds on the basis of 16.1% being the 'standard' level of risk for a 1st repeat.

This relates to a scenario where substance misuse of the order of 75% of parents in the cohort takes place. To determine a value for the scenario where substance misuse among the parents is 60%, our assumptions are that:

- i. there is a linear relationship between substance abuse cessation and returning to court,
- ii. that with no substance abuse there would be no return to court occurring.



These assumptions enable us to determine the probability of return to court for FDAC when 60% substance abuse occurs. It represents the weighted sum ( $15/75 * 0\% \text{ returns} + 60/75 * 16.1\% \text{ returns}$ ), which equates to 12.9%.

The probability of a child being removed from families is of the order of 60.5% according to our placements data (see calculations on p19).

We apply this proportion to the calculations above - 12.9% returns for FDAC versus 16.1% in the comparator group - to obtain the following proportions.

**Table A2.7 Estimates of effects relating to repeat removals  
– 1st round of removals**

	<b>FDAC</b>	<b>Standard Proceedings</b>
Subsequent care proceedings for mothers who have previously children removed permanently (% of cohort)	12.9%	16.1%
Subsequent removals of children for mothers who have previously had children removed permanently (% of cohort)	7.8%	9.7%

In order to determine the effects of the second round of removals, we multiply the values associated with Table A2.7 by a factor of 15.1%, as per the proportion set out on p22.

The analysis in Broadhurst et al (2015) also contains data on the time periods at which returns to court take place. These have been used to allocate savings over time in our model – some 4.5% of cases of repeat removals occur in timescales later than five years.



## ANNEX 3: AVERAGE FINANCIAL IMPACTS OF A SINGLE CASE

Table A3.1 below sets out our estimates of the impact for a single case, on average, for the London FDAC 2014/15 caseload. Note that this is provided for illustrative purposes only. The actual impact will vary significantly between different cases based on the actual outcome achieved.

**Table A3.1 Short and medium term costs and savings (per case) generated by the London FDAC caseload in 2014/15 as compared with standard proceedings.**

	Cost Area	Organisation affected	Financial impact	
			Costs	Savings
Proceedings-related factors	1 – Direct costs of the FDAC service	Local Authority	-£12,170	
	2a – Reduced cost of local authority legal representation	Local Authority		£4,390
	2b – Reduced cost of expert witnesses and external assessments	Local Authority / Legal Aid Agency		£1,955
Post-proceedings factors	3 – Increased costs of support for reunited families	Local Authority / NHS	-£460	
	4 – Increased cost of substance misuse treatment for parents during proceedings	NHS	-£2,485	
	5 – Reduced cost of post-proceedings care due to more children being returned to their parents	Local Authority		£17,215
	6 – Reduction in numbers of reunited families returning to court	Local Authority		£575
	7 – Reduction in numbers of parents who go on to have subsequent children removed	Local Authority		£1,530
	8 – Reduced requirement for post-proceedings substance abuse treatment for parents	NHS		£3,475
	9a - Reduced cost to the criminal justice system of substance misuse related crime	Criminal Justice System		£1,690
	9b – Reduced cost to the NHS of substance misuse related crime	NHS		£125
	<b>Total</b>	Total net savings		

## ANNEX 4: OUTCOMES AND SAVINGS EFFECTS OVER TIME

For our analysis we have:

- Allocated to year 1 all costs in respect of FDAC direct costs, local authority pre-proceedings and proceedings costs, and substance abuse treatment for parents during proceedings;
- Allocated placement costs according to calculations of placements per year; and
- Allocated equally between years 2 and 5 (in non-discounted terms) savings relating to (i) post-proceedings substance misuse treatment for parents and (ii) costs to the criminal justice system and the NHS of substance misuse-related crime.

The outcomes and differences in outcomes over time for FDAC and the comparator are shown in tables A4.1 and A4.2, and the associated net present value calculations are shown in table A4.3.

**Table A4.1 Outcomes for the children in London cohort based on impact equal to that observed in 2014 Brunel study – FDAC versus comparator over time**

	Children residing with family - FDAC	Children residing with family – standard proceedings	Difference
Year 1	(month 7 to month 12) 23.0	(month 7 to month 12) 15.4	7.6
Year 2	21.8	13.6	8.2
Year 3	20.7	11.9	8.8
Year 4	19.5	10.2	9.3
Year 5	18.4	8.5	9.9
	Children removed from family - FDAC	Children removed from family – standard proceedings	Difference
Year 1	41.7	49.3	-7.6
Year 2	42.8	51.0	-8.2
Year 3	44.0	52.7	-8.8
Year 4	45.1	54.5	-9.3
Year 5	46.3	56.2	-9.9

**Table A4.2 Estimated number of subsequent children who will removed from parents who have had children removed (proceedings or removals per year)**

	Year 1	Year 2	Year 3	Year 4	Year 5
Proceedings brought					
FDAC	0.9	1.2	0.7	0.4	0.3
Comparator	1.4	1.7	1.1	0.6	0.4
Children removed					
FDAC	0.6	0.7	0.4	0.3	0.2
Comparator	0.8	1.0	0.6	0.4	0.3

**Table A4.3 Costs and savings of FDAC relating to cohort supported in Year 1 over time**

Issue	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Proceedings-related factors</i>					
1 - Direct costs of the FDAC service	-£559,770				
2 - Reduced cost for local authority legal representation, expert witnesses and external assessments	£291,850				
<i>Post-proceedings factors</i>					
3 - Increased costs of support for reunited families	-£13,120	-£5,925	-£2,115		
4 - Increased cost of substance abuse treatment for parents during proceedings	-£114,310				
5 - Reduction in numbers of reunited families returning to court		£6,980	£6,745	£6,515	£6,295
6 - Reduced cost of post-proceedings care due to more children being returned to their parents	£175,520	£147,440	£152,210	£156,490	£160,300
7 - Reduction in numbers of parents who go on to have subsequent children removed	£19,475	£23,280	£14,175	£8,335	£5,175
8 - Reduced requirement for post-proceedings substance abuse treatment for parents		£42,065	£40,640	£39,270	£37,940
9a - Reduced cost to the criminal justice system of substance misuse related crime		£20,460	£19,770	£19,100	£18,460
9b - Reduced cost to the NHS of substance misuse related crime		£1,540	£1,490	£1,440	£1,390
<i>Financial impact relating to cohort during given year</i>	-£200,355	£235,840	£232,910	£231,150	£229,565

Over five years the total net financial saving relating to the cohort supported by FDAC in Year 1 is of the order of £729,000.

## ENDNOTES

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1. Harwin, J., Alrouh, B., Ryan, M. and Tunnard, J. (2014) *Changing Lifestyles, Keeping Children Safe: an evaluation of the first Family Drug and Alcohol Court (FDAC) in care proceedings*, Brunel University (for details of the methodology of this study see pages 22 to 26). Note that although this study includes FDAC costs data, this was not utilised by us for this report as more up to date alternative information was available.
2. As data on substance misuse was incomplete, however, this result should be treated with caution.
3. See Annex 1 for calculations
4. 'HM Treasury (2013) *The Green Book: appraisal and evaluation in central government*', London: HM Treasury
5. Curtis, L. (2014) *Unit cost of health and social care*, Canterbury: Personal Social Services Research Unit
6. Solis, J., Shadur, J. Burns, A., Hussong, A. (2012) Understanding the diverse needs of children whose parents abuse substances, *Current Drug Abuse Reviews* 5(2) pp. 135-147
7. Bancroft, A., Wilson, S., Cunningham-Burley, S., Backett-Milburn, K. and Masters, H. (2004) *The effect of parental substance abuse on young people*, London: Joseph Rowntree Foundation
8. Of which savings to the Ministry of Justice may be of the order of £29,500 p.a., if savings from reduced crime follow the same pattern as general expenditure on criminal justice with a 38% proportion (derived from NAO (2014) *The criminal justice system: landscape review*, London: NAO and local authority expenditure statistics).
9. Source: Personal Communication with Steve Bambrough, Tavistock and Portman NHS Trust
10. Source: p21 of Ernst and Young with Ryan Tunnard Brown (2012) *FDAC development project: options for sustainability and roll-out*, London: Ernst and Young with with Ryan Tunnard Brown
11. This 'top-down' approach to unit costs has disadvantages - in particular, it does not identify what drives costs, and cannot be used to reliably forecast how costs might rise or fall as a result of changes in the way that people use services. For our purposes, however, these are outweighed by its strengths - ready availability of data and simplicity. Although a 'bottom-up' approach was deployed in Harwin et al (2014), in addition to a 'top-down' perspective, an update has not been attempted for this report. Rather than looking at the efficiency with which FDAC inputs are utilised or the drivers of FDAC costs over time, this analysis seeks to understand the effects of the *impacts* that a given set of FDAC inputs and costs has accomplished.
12. Ernst & Young and Ryan Tunnard Brown (2012) *FDAC development project: options for sustainability and roll out – final report*, London: Ernst & Young and Ryan Tunnard Brown
13. The Ernst & Young and Ryan Tunnard Brown (2012) report also contains an assessment relating to legal representation in the comparator group – however this data pre-dates important changes to legal practice, and so has not been used in this report
14. Reported in Rothera and Ryan (2014) (p62) (Islington and Camden), the South London Care Proceedings Project (Ranshaw et al, 2015) (p21 and p25) (Lambeth and Lewisham), and Beckett et al (2013) (p16) (Hammersmith and Fulham, Kensington and Chelsea, and City of Westminster)
15. Based on the cost of an independent social worker assessment of some £1,220. This is very likely to be an under-estimate of true external assessment costs, as the cost of adult psychiatric reports is one-third higher, and the cost of psychological reports is almost double. However the proportions of such reports is not known.
16. Treatment for alcohol and drug dependency is covered elsewhere in this report
17. It could be argued that since the proportions are not statistically significant, this category should be deleted from the analysis. Such a step would, however, over-state the benefits of FDAC, since the levels of safe and secure re-unifications are significant, and are included in the analysis at a later point in this study.
18. Source: Unit cost of care planning (Curtis 2014) (p107); unit cost of support (£1,750) (mid-way point of low and medium needs) (Curtis 2014) (p100); unit cost of CAMHS (£4,160) (median cost per contact of £240 as per CAMHS benchmarking study 2013); unit cost of parenting programmes (£890) (Curtis 2014) (p104).
19. Calculated from: 53 children out of 120 for FDAC versus 54 children out of 151 for the comparator group, set out in Harwin et al (2014) p71
20. Farmer, E. & Lutman, E. (2010) *Case management and outcomes for neglected children returned to their parents: a five year follow-up study*, Research brief 214, London: Department for Children, Schools & Families
21. This may well *underestimate* the rate of removals. Our calculation of 'satisfactory reunifications' for the comparator group at the one-year follow-up was 10.5% (see Annex 1, p17). Yet, applying Lutman and Farmer's discounting factor of 2/3rds to the 23.8% of cases set out in table A1.1 (p16), implies only 8% of cases remain as reunified cases.

22. The main effect of FDAC is in influencing whether the child is able to return safely and securely to their parent, rather than their type of placement if this is not possible.
23. Percentages calculated as proportion of all cases excluding those where child remains at home subject to a Supervision Order
24. This is lower than the full potential which is only reached half-way through year 6
25. 2.3 children rather than apparent sum of 2.4 children due to rounding error
26. [www.legislation.gov.uk/ukdsi/2015/9780111127490](http://www.legislation.gov.uk/ukdsi/2015/9780111127490)
27. Placement costs will also be incurred as a result of at least some returns to court. However, such costs are already included within the analysis of savings on placements set out in pages 12 to 15 of this report.
28. These proportions are the inverse of the 44% and 36% retained with the family (see page 8)
29. Broadhurst, K. et al (2015) *Connecting events in time to identify a hidden population: birth mothers and their children in recurrent care proceedings in England*, draft working paper, University of Lancaster
30. Based on a proportion of 60.5% of cases involve removal of the child from the family, see Annex 2
31. This is a significant underestimate as it excludes costs related to legal aid and court services costs.
32. Mothers undergoing repeat removals are likely to have children removed shortly after birth. Therefore, we have assumed that children removed are immediately placed for adoption.
33. Five year recovery rates for those taking alcohol treatment are of the order of 56% - calculated as  $(64.9 - 28.7) \div 64.9$ , according to data from Table 3 of Dawson, D., Grant, B., Stinson, F., Chou, P., Huang, B., and Ruan, J. (2005) Recovery From DSM-IV Alcohol Dependence: United States, 2001–2002, *Addiction* (100) pp. 281-292. Hence the average level of need for treatment over 5 years is  $72\% = \frac{1}{2} * (100\% + (100\% - 56\%))$ , and this implies that on average over five years the cohort receives  $5 * 72\% = 3.6$  years of treatment
34. National Treatment Agency (2012) *Estimating the crime reduction benefits of drug treatment and recovery*, National Treatment Agency
35. and consequently has disproportionate and potentially misleading effects on estimates of weighted average costs
36. Lutman, E. and Farmer, E. (2013) What contributes to outcomes for neglected children who are reunified with their parents? Findings from a five-year follow-up study, *British Journal of Social Work*, 43(3) pp559-78.
37. This may well underestimate the rate of removals. Our calculation of 'satisfactory reunifications' for the comparator group at the one-year follow-up was 10.5% (see Annex 1, p17). Yet, applying Lutman and Farmer's discounting factor of 2/3rds to the 23.8% of cases set out in table A1.1 (p16), implies only 8% of cases remain as reunified cases.
38. These proportions are the inverse of the 44% and 36% retained with the family (see page 8)
39. Broadhurst, K. et al. (2015) *Connecting events in time to identify a hidden population: birth mothers and their children in recurrent care proceedings in England*, draft working paper, University of Lancaster

## **Better Courts:**

# **A value for money analysis of the Family Drug and Alcohol Court (FDAC) intervention.**

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**Thanks to:** Steve Bambrough, Jennifer Beecham, Phil Bowen, Karen Broadhurst, Ben Estep, Javiera Cartagena Farias, Judith Harwin, Sophie Kershaw, Subhash Pokhrel, Arsheen Qasim, Mary Ryan, and Mike Shaw.

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