

## Q8

### WHAT ABOUT COSTS & FUNDING?

*“Imagine a child about to be born to a mother misusing substances. The mother could have treatment from FDAC costing about 13K, with a 40% chance of the child then able to stay with her mother. If you were being child centred you would say ‘yes’ to that, because it would improve the likelihood of the child staying in her family.”*  
*[Assistant Director of Children’s Services]*

*“It’s encouraging that problem-solving in the family courts not only delivers better justice, an important achievement in itself, but that it also offers a cost-effective way to improve the lives of vulnerable children and families. Applying a similar judge-led specialist approach in our criminal courts would take this development to the next important step. Problem-solving courts are innovative, effective and fit the system here in the UK.”*  
*[Phil Bowen, Director of the Centre for Justice Innovation, 2018]*

*“FDAC focuses on identifying the problem and setting out to solve the problem, so e.g. once you solve the problem with this child the mother and father will not be back in court in future years in relation to some future child. The key thing is problem solving by a partnership involving both the problem solving team and the judge.”*  
*[Sir James Munby, former President of the Family Justice Division, 2017]*

#### COSTS AND SAVINGS:

For a team seeing 35 cases per annum, the commissioned cost of an average family going through the London FDAC process is approximately £13,000. This average cost per case of £13,000 is equivalent to the charges of other multi-disciplinary teams providing assessment in care proceedings. This would mean that a new FDAC service would cost approximately £450,000 per year for 35 families. Additional initial start-up costs vary, depending on the situation in the new FDAC locality, but can be about £50,000.

The London FDAC now commissions individual packages for both pre-proceedings and post-proceedings work with parents, and this work is costed as a proportion of the average cost per case.

The cost of the team will depend on the number of staff needed and this, in turn, will depend on the likely number of cases and the availability of local services. If there are fewer local treatment services, or other parenting services, the team will need greater capacity to do more direct work with families themselves. The caseload of the London team has varied from 32 to 60 cases (current) over the past eight years and an FDAC currently setting up in the East Midlands across three Local Authorities is due to see 48 cases. You could contact the London team manager or FDAC Advocate/Project Manager Beverley-Barnett Jones [here](#) for more information on approaches to structuring team composition and costs.

In 2016 the National Unit partner agency, [the Centre for Justice Innovation](#) (CJI) published a financial analysis of the London FDAC as part of the funding awarded to the FDAC National Unit from the DfE Children’s Social Care Innovation Programme.

The 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. It demonstrated that 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, CJI conclude that in the five years following the commencement of a case, FDAC 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.

### **ADDITIONAL COSTS**

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.**

Visit the FDAC website [Better Value for Money page](#) for a breakdown of how these savings are costed and for more information about the FDAC Value for Money Theory of Change.

## WHO SHOULD PAY?

It is recommended that new sites explore the possibility of joint commissioning between local authorities and Public Health, other health services, and other agencies that might benefit from a successful FDAC in their area, such as Police and Crime Commissioners. Troubled Families funding may be appropriate for parts of the FDAC service.

Children's Services alone have mainly borne the costs of an FDAC team since FDAC was first piloted, but given that the benefits of FDAC accrue to a range of agencies there are good arguments for joint commissioning with other services.

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. The CJI (2016) financial analysis of the London FDAC modestly estimated the savings over four years per parent as £5,640 for the criminal justice system, and £420 for the NHS.

Wider funding offers the prospect of sharing ownership as well as risks. The specialist team is jointly funded by health services and Children's Services in East Sussex and Gloucestershire, and public health are contributing funds in Coventry.

## Reflections about getting colleagues interested in talking about funding, from an early FDAC commissioner

*"I first heard about FDAC in October 2010. There were so many elements that made immediate sense to me. I like the emphasis on the problem-solving court and the non-adversarial approach. I could see the sense in diverting resources away from spending on lawyers and expert witnesses. As the Senior Commissioner Manager I was convinced there was potential to make significant savings compared to the normal care proceedings route.*

*But most important of all I was attracted to working with parents with substance misuse problems so that the social work relationship was still intact at the end of proceedings - regardless of whether the child returned to the parent's care.*

*I spent a long time seeming to get nowhere and the lowest point was when a generally sympathetic senior manager told me to go away and stop obsessing about FDAC. The turning point came 20 months later in June 2012 when a new manager who could see what I was 'going on about' agreed for me to run a one-off multi agency information session. This was led by colleagues from the London FDAC. The results were electric. By the next morning I had calls of support from several agencies and in particular from our local judiciary. We heard our first case in July 2014.*

*What was the learning point for me? When you are operating in complex and highly pressurised environments like social work, simple and elegant ideas like the FDAC find it hard to capture the attention of senior managers. You need to run the risk of appearing a little obsessive."*