

Reducing the risk, cutting the cost:

An assessment of the potential savings from Barnardo's interventions for young people who have been sexually exploited

Believe in children



Barnardo's

Research briefing



Working with

PRO BONO ECONOMICS

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Foreword



Across the UK, thousands of vulnerable girls and boys are being groomed and then abused, often for years on end, leaving them deeply traumatised and scarred for life.

There is nothing that shocks me more than the horrific nature of child sexual exploitation, and I have been deeply moved by each and every one of the stories that young people affected by this form of abuse have shared with me.

At Barnardo's, we want to know that we are doing all we can to support young people to recover from the exploitative situations they've faced and that we are making a tangible difference to the lives of the young people we work with – particularly in these difficult economic times.

This is why we asked for Pro Bono Economics' support in trying to understand the cost implications of child sexual exploitation and to explore the financial benefits of providing interventions for young people affected by this form of abuse.

This briefing sets out the key findings from the research and highlights the pivotal role of specialist interventions, not just in helping victims recover from child sexual exploitation, but also in minimising the costs associated with it, with an estimated potential saving of £12 for every £1 spent on the intervention itself.

I hope you find the briefing interesting reading, but I would urge you not to forget that behind these numbers are vulnerable children who are victims of a horrific form of abuse.

Anne Marie Carrie
Chief Executive, Barnardo's

Background

In 2006, Barnardo's published the findings of a two-year research study which sought to evaluate the success of our specialist sexual exploitation services in achieving positive outcomes for young people who have been sexually exploited.¹ This was the first study of its kind to demonstrate quantitatively the positive impact that this type of support can have on the lives of young people.

Five years on, the need for charities to demonstrate the effectiveness of our interventions has become all the more compelling in the light of increased pressure on public finances and voluntary sector funding. We know that the effect of sexual exploitation on the lives of the young people we work with is hugely damaging and often has a significant effect on their mental, emotional and physical wellbeing, well into adulthood.

However, we know very little of the wider impact of sexual exploitation on society. While there is a very clear moral case for responding to the needs of young people who have suffered this horrific form of abuse, what are the cost implications for the taxpayer?

On behalf of Barnardo's, Pro Bono Economics enlisted a team of volunteers from the Bank of England to undertake research to help us understand the wider impact of sexual exploitation and to quantify the savings made by society as a result of providing specialist interventions for young people at risk of sexual exploitation. This briefing sets out the key findings from the research and highlights the implications of the research for responding to the needs of young people who have been sexually exploited.

¹ Scott S & Skidmore P (2006). *Reducing the risk: Barnardo's support for sexually exploited young people*. Barnardo's, Barkingside.

The approach

In order to determine the cost and financial benefits of providing interventions for young people who have suffered from this form of abuse, it was necessary to estimate:

- the cost of delivering the intervention
- its impact
- the value of any financial benefits accruing.

Emma's story

Excluded from school, isolated and angry, Emma had suffered a catalogue of neglect and abuse throughout her life.

'I couldn't form any real relationships and I ended up running away when I was 14. I was sleeping rough and staying on friends' sofas.'

'I liked living alone. I didn't like being told what to do. So I was going out all the time, getting drunk, meeting guys. I met an older man who I believed loved me and all I wanted was to be loved by someone. I used to think I needed a man to love me to be happy.'

Emma was missing school and behaving badly when she did attend. She started going to clubs and experimenting with drugs. The man Emma believed to be her 'boyfriend' was in his early 30s. He showered her with attention, gifts, alcohol and drugs and made her feel important.

Emma thought she was in love. Soon the 'boyfriend' began using violence and finally he forced Emma to sleep with different male friends.

'I really thought he loved me, I would have done anything for him. I got taken to flats, I don't know where they were and men would be brought to me. Eventually, I was taken up north somewhere and locked in a flat. They forced me to sleep with loads of men. I felt sick.'

Emma managed to run away and was found by the police, but she was too distressed to give her story. However, the police put her in touch with a Barnardo's worker, who managed to gain her trust.

'My worker said if I let my past ruin my future, I'd be letting all those bad guys win and she was right. Because of her advice and belief in me I have never given up.'

The cost of delivering the intervention

Barnardo's runs 20 specialist sexual exploitation services across the UK which help support young people to exit and recover from exploitative situations, whilst also working to increase the range of protective factors in their lives.

Each of these services uses a model of support for young people referred to as the 'four As' model:

■ Access

Barnardo's services offer a friendly and welcoming environment for young people. Referrals are accepted from a range of agencies and young people may also be able to refer themselves.

■ Attention

Young people are given a key worker who stays with them throughout their time with the service, providing a consistent relationship and source of support.

■ Assertive outreach

Staff use a range of techniques to engage young people and to help them access support. The persistence of workers, including with young people who show little interest, helps to demonstrate genuine concern for the young person's wellbeing.

■ Advocacy for young people in need

Barnardo's services help young people to get access to the services they need and keep appointments.

They act as advocates for them when relationships with other services break down.

Barnardo's works with more than 1,000 young people affected by sexual exploitation across the UK each year, for periods of between six months and a year.

Using a range of information from Barnardo's services, the average cost of providing intensive support to each individual was estimated to be £2,918.²



² An average unit cost was established using three sources of information: estimates provided by services on total expenditure relating to delivering sexual exploitation interventions for the year 2009-2010; an analysis of funding specific to this type of intervention; and spot purchase prices.

An example of a Barnardo's service

Barnardo's Young Women's Project operates out of its North London base and works with young men and young women up to the age of 18 who are at risk of, or who are being abused through, sexual exploitation. It offers young people:

- a one-to-one worker to provide support on an individual basis around issues such as self esteem, healthy relationships, body image, personal safety, drugs, alcohol, self harm, family difficulties, and future goals and aspirations
- weekly group sessions offering a range of activities, alongside peer support
- a sexual health nurse based in the project who can offer contraception advice and information
- access to a range of facilities on site that young people can use, including showers, laundry facilities, a computer room and an arts and crafts room.

The service also delivers a range of preventative education and awareness-raising work in schools, with young people and with professionals.



Outcomes the interventions deliver

Outcome data from 539 service users were analysed to determine the impact of Barnardo's interventions on young people's risk of sexual exploitation.³ Four additional risk factors, which were highly correlated with risk of sexual exploitation and which could be assigned a monetary value, were also included in the analysis.⁴ These were:

- going missing
- substance abuse
- disengagement from education, training or employment
- accommodation need.

As highlighted in Figure 1 (below), the analysis showed a reduction in the risk of sexual exploitation and the four associated risk factors across the course of the intervention, with average levels of risk falling from first assessment (pre-intervention) to final assessment (post-intervention). Moreover, it was estimated that in the absence of an intervention, the risk of sexual exploitation and associated risk factors would have got worse. This is shown below by higher average risk for the control group relative to pre-intervention levels. (See Box 1 on page 10 for an explanation of the control group).

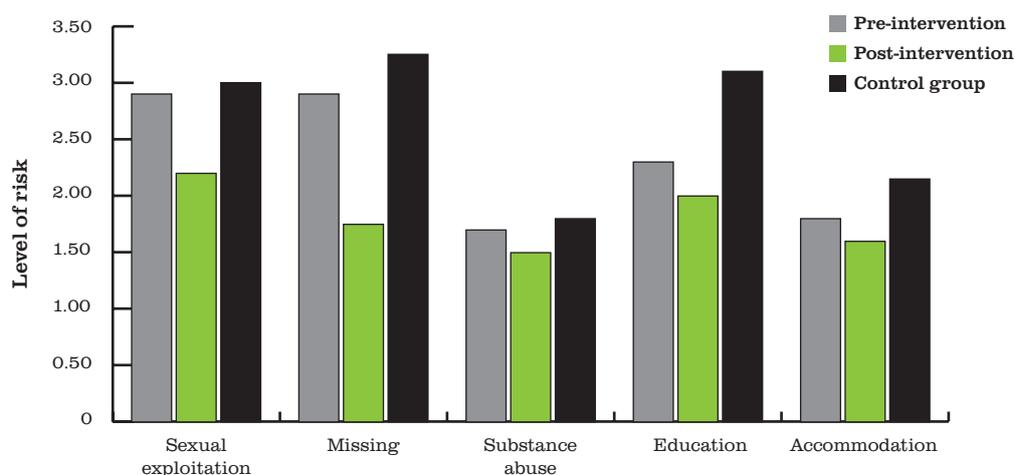


Figure 1: The average level of risk before receiving an intervention, after receiving an intervention and an estimate of what it would have been if no intervention had been received (as shown by the control group) for each of the five areas.

These findings suggest that not only are Barnardo's interventions effective at reducing the risk of sexual exploitation, but also that without appropriate intervention, the risk would increase further.

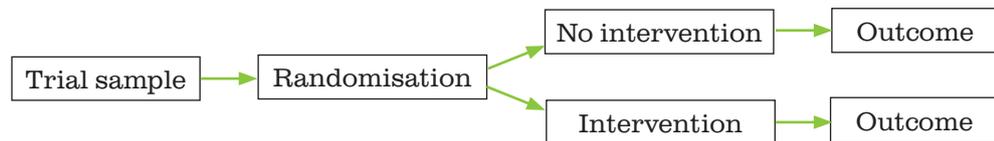
³ Barnardo's sexual exploitation services use a common framework to record core outcomes for each young person involved with the service, with reviews being undertaken at initial assessment and repeated approximately every three months. Only cases where a reason for case closure had been given were included in the analysis to ensure that the intervention had come to an end in each case.

⁴ The cost of sexual exploitation was not estimated directly, but instead a subset of the risk factors that are associated with sexual exploitation were costed. Correlation coefficients between the risk of sexual exploitation and other risk factors were significant at the 0.01 per cent level, both before and after the intervention.

Box 1

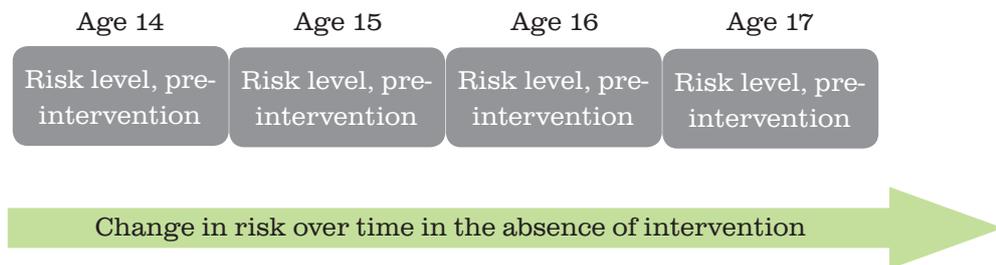
Determining the effectiveness of an intervention: what happens if there's no intervention?

When assessing how effective an intervention is, it's important to understand how the underlying issue that is being addressed through the intervention may change over time in the absence of an intervention. One way of doing this is to use a randomised controlled trial in which one group of individuals are randomly assigned to receive an intervention or treatment, and a second group – the control group – receive no intervention.



However, it would be unethical to deny an intervention to young people in need and then monitor their risk of sexual exploitation. So how is it possible to know that the risk of sexual exploitation wouldn't have reduced regardless, even without an intervention?

To test this, a 'synthetic' control group was created using data from the initial assessment of young people of different ages to build up a picture of the progression of risk over time in the absence of the young person receiving any intervention.



Data from this 'control group' were then compared to data from the group of young people who had received support from Barnardo's to determine the effectiveness of the intervention.

The cost of sexual exploitation

Existing empirical studies were used to place a monetary value on the four risk factors associated with sexual exploitation. Costs were estimated for different levels of risk – for example, based on how many times a month an individual went missing from home or care, or whether the individual was persistently truanting or not attending school at all. These were then used to produce an average cost.

All costs are presented as ‘lifetime’ costs. This is because some of the costs associated with these risk

factors will not be immediate, but will accrue over a longer period of time.

For example, while a young person’s truanting may not have an immediate financial cost associated with it, over the course of a lifetime, they are more likely to claim higher benefits and contribute fewer taxes.

Overlapping costs were stripped out to avoid inflating the costs associated with sexual exploitation. Table 1 (below) gives an overview of how the lifetime cost of each risk factor was estimated.

Risk factor	Basis of costing	Cost to taxpayer
Going missing	<ul style="list-style-type: none"> ■ average number of missing episodes per month, up to the age of 18 ■ cost of investigating each missing episode 	<ul style="list-style-type: none"> ■ police costs
Substance abuse	<ul style="list-style-type: none"> ■ likelihood of dependency ■ lifetime cost of substance dependency 	<ul style="list-style-type: none"> ■ healthcare costs ■ police costs
Disengagement from education, training or employment	<ul style="list-style-type: none"> ■ cost of persistently truanting ■ cost of not being in education, employment or training 	<ul style="list-style-type: none"> ■ higher benefits ■ tax losses
Accommodation need	<ul style="list-style-type: none"> ■ net benefit of the Supporting People programme⁵ for young people at risk in settled accommodation ■ net benefit of the Supporting People programme for young people in temporary accommodation 	<ul style="list-style-type: none"> ■ police costs⁶

Table 1: An overview of the basis of each costing and the cost to the taxpayer.

⁵ Supporting People is the government programme that provides housing-related support to help vulnerable people to live as independently as possible in the community. It was assumed that Barnardo’s services increase participation in the programme. The net benefit of the programme was then used to estimate the cost associated with young people at risk in settled accommodation, or in temporary accommodation.

⁶ The key cost saving from the Supporting People programme is a reduction in conviction rates and reoffending.

The estimated costs of each of the four risk factors associated with sexual exploitation are presented in Table 2 (below). These are given for three scenarios:

1. **Pre-intervention** – the cost *before* a young person receives an intervention
2. **Post-intervention** – the cost *after* a young person receives an intervention
3. **Control group** – the cost if a young person *does not receive* an intervention

The costs are based on the severity of risk in each scenario, with the final group – the control group – taking into account how young people’s risk might change in the absence of an intervention.

	Average cost per individual				
	Going missing	Substance abuse	Disengagement from education	Accommodation need	Total
Pre-intervention	£19,664	£4,278	£10,504	£11,338	£45,784
Post-intervention	£7,551	£3,047	£8,327	£9,223	£28,148
Control group	£24,235	£5,057	£17,312	£16,904	£63,508

Table 2: The average lifetime cost of risk factors associated with sexual exploitation.

The cost associated with sexual exploitation was estimated to be £45,784 over a lifetime based on pre-intervention levels of risk. This cost increased to £63,508 when the estimate of how the risk changes in the absence of an intervention was factored in.

Financial benefit

The figures presented in Table 2 highlight a significant reduction in lifetime costs if a young person at risk of sexual exploitation receives an intervention, with the total cost to the taxpayer falling from £45,784 to £28,148. This represents a saving of £17,636, or six times the cost of delivering the intervention (see page 7 for cost of delivering the intervention).

The savings increase further when the estimate of how the risks would have changed in the absence of an intervention is applied. The average cost per individual in the absence of an intervention in this scenario is £63,508. When compared to the average cost after receiving an intervention, this represents a saving of £35,360 – twelve times the cost of delivering the intervention (see page 7 for the cost of delivering the intervention).

This means that, under the second set of assumptions, for every £1 spent by Barnardo’s on specialist interventions for young people affected by sexual exploitation, there is a potential saving of £12 to the taxpayer.

Assumptions

Estimating the cost of sexual exploitation and the potential savings from Barnardo's interventions required making a number of assumptions. While attempts were made to overcome some of the challenges presented by the data – such as not being able to observe directly what happens in the absence of an intervention – there are a range of uncertainties in the estimates provided.⁷

In mapping outcomes recorded by Barnardo's onto cost estimates from existing studies, assumptions had to be made about the type of risk young people were exposed to, the severity, and the period of time over which to account for each cost. The cost of providing the intervention is also dependent on the size and geographical location of the service, in addition to

any fixed costs, and will vary according to this. Furthermore, determining the impact of the intervention is reliant on outcome data being captured accurately and consistently. Whilst each of Barnardo's services work to shared guidance for scoring outcomes, an assessment has to be made about a young person's level of risk.

However, wherever possible, a conservative approach was adopted. Only those costs which fall directly to the taxpayer were accounted for, and within this, only a subset of these costs were considered. For example, the health risks of sexual exploitation – physical or mental – were not accounted for, apart from those which relate to substance misuse. This means that the true cost could potentially be higher than the estimates given here.



⁷ Details of each of the assumptions made can be found in the full research report (see further information, page 15).

Implications of the research

1. Specialist interventions can be an effective means of reducing the risk of sexual exploitation and other associated risk factors.

This analysis has shown that young people who receive support through one of Barnardo's specialist sexual exploitation services reduce their risk of exploitation across the course of the intervention. Improvements were observed not only in the incidence of sexual exploitation, but also in other areas of young people's lives. Young people who received an intervention went missing less frequently; were more engaged with education; had reduced substance use; and were in more stable accommodation.

2. In the absence of an intervention, the risks posed to young people, and the associated costs, are likely to increase further.

Research into the effectiveness of interventions for young people at risk of sexual exploitation has previously been limited by challenges in measuring how that risk changes over time in the absence of an intervention. This research estimated that the risks posed to young people become more severe if young people do not receive an intervention. Since each of these risks carries a cost, the financial implications increase with the level of risk.

3. Providing specialist interventions to young people at risk of sexual exploitation saves the taxpayer money.

The analysis has shown that the financial returns of Barnardo's work with young people who have been sexually exploited are substantial, with the intervention paying for itself multiple times over. Based on the assumptions made about how the severity of risk changes over time, there is a potential saving of £12 for every £1 spent by Barnardo's on providing the intervention. These savings are shared by multiple agencies and government departments – for example, health, the police, the welfare system and HM Revenue and Customs – highlighting the need for coordinated action from local and central government in responding to the needs of young people who have been sexually exploited.



Conclusions

This research sought to establish some of the wider costs of child sexual exploitation and the potential financial savings from providing interventions to young people affected by this form of abuse.

The conservative method employed suggests that the benefits to the taxpayer of Barnardo's interventions for young people who have been sexually exploited substantially outweigh their costs. Based on the assumptions made about how young people's level of risk changes in the absence of an intervention, there is an estimated potential saving of £12 for every £1 spent on providing the intervention, in addition to the non-costed reduction in the risk of sexual exploitation.

Further information

Further details of this research can be found in the full report: *An assessment of the potential savings from Barnardo's interventions for young people who have been sexually exploited*. The report is available on: www.probonoeconomics.com and www.barnardos.org.uk/research_and_publications

For more information on Barnardo's work with young people who have been sexually exploited visit:

www.barnardos.org.uk/what_we_do/our_projects/sexual_exploitation

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Images posed by models.

Names have been changed to protect identities.

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