

Exploring preventative investment in local government

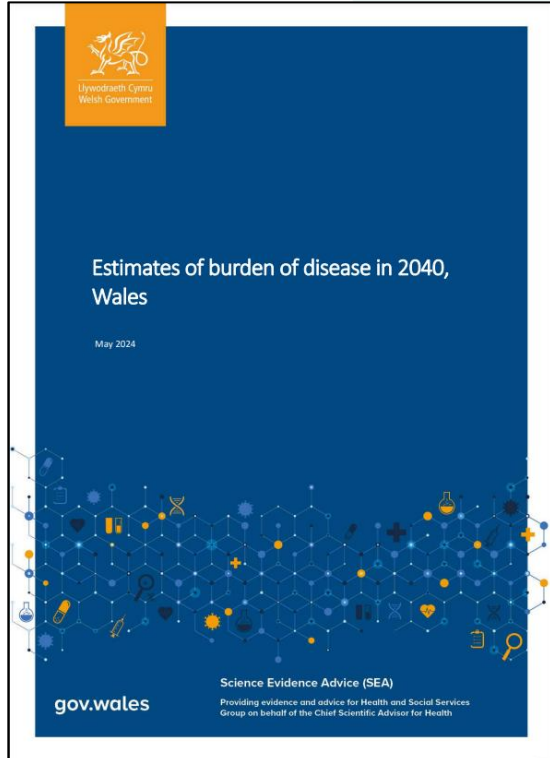
No time to lose: Prioritising prevention (South Wales)
15 July 2025

Zachary Scott (Policy Researcher, Prevention)

What do the three friends and the river of public services tell us about prevention?

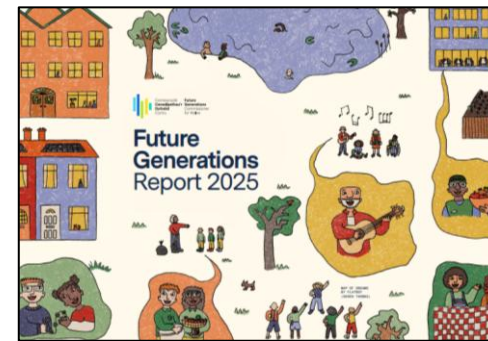
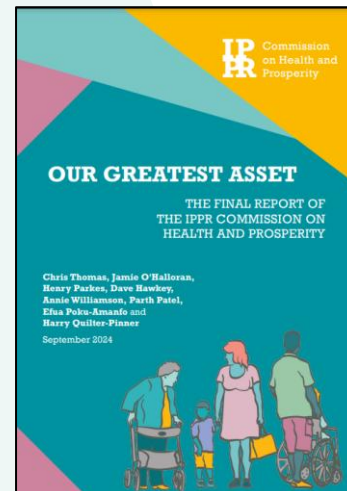
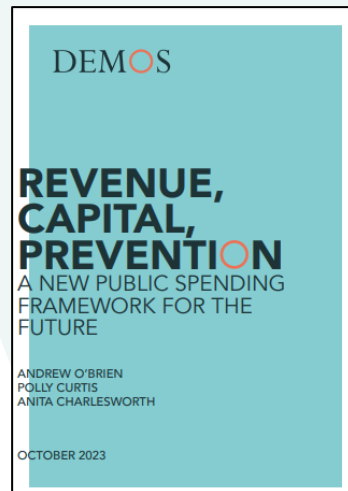


Prevention isn't up to the NHS alone – it's the collective responsibility of the public sector



- By 2040, **41% increase** in people with major illnesses and only **9% increase** in working age population
- Present day symptoms:
 - Council budget pressures
 - Workforce shortages
 - Social care queues
 - Housing stress

Everyone is on the same page – prevention is the right thing to do – but how do we effect change?



Developing a shared approach to evaluating preventative investment



Problem

- Lack of consistent methods for assessing the value of prevention
- Tendency to treat prevention as a cost rather than an investment
- Need for tools that support long-term, place-based thinking

Purpose of the report

- Develop a common, transparent approach to evaluate preventative investments, supporting better decision-making and resource allocation across the public sector

Applications beyond public health in England

- Principles and methods apply across the UK public sector
- Especially relevant to Wales under the Well-being of Future Generations Act and in local government

A strategic case for prevention needs the right framing, tools and leadership

1. Reframe prevention as investment

Shift the narrative – prevention should be seen as a strategic investment that delivers returns across time and place, not simply to save money

2. Use consistent methods

Adopt cost-benefit analysis (CBA) and place-based tools (e.g. Green Book, Prudential Code) to compare interventions fairly and transparently

3. Empower finance professionals

Empower finance professionals to embed these principles into routine planning and reporting, enabling smarter, more sustainable investment decisions

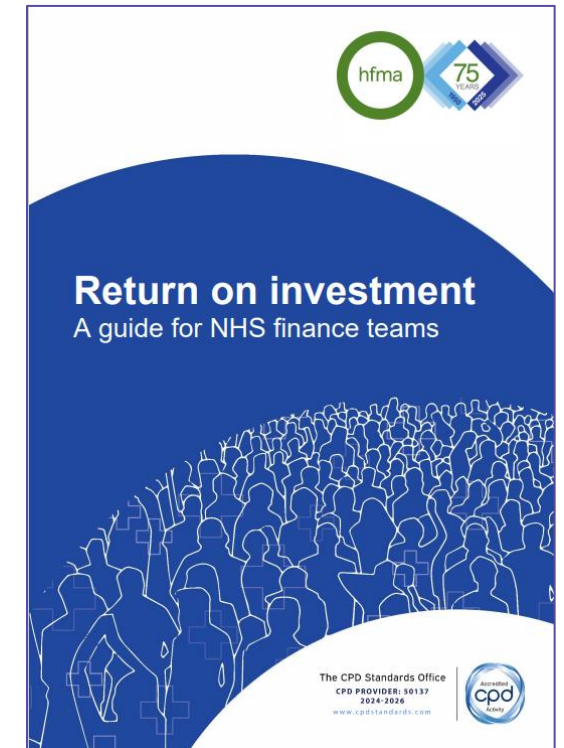
Cost-benefit analysis enables smarter, system-wide decisions and is backed by the wider sector

CIPFA and PHE recommended **cost-benefit analysis (CBA)** as a core method for evaluating preventative investments. CBA supports:

- A balanced appraisal of both economic and social value
- System-wide decision-making across sectors and timescales
- Greater transparency and comparability between options

HFMA endorsed CBA as a suitable approach for evaluating prevention in the NHS and offered step-by-step guidance on:

- Identifying and quantifying benefits (monetisable, qualitative, system-level)
- Choosing the right ROI approach based on decision context
- Communicating returns clearly across short-, medium- and long-term horizons



In trying to evaluate prevention, we've bypassed the most basic question – how much are we spending?



'...the key to putting a greater emphasis on prevention is understanding the current position and the future implication of not making such investments...'

Wales is leading the way, but more can be done to make prevention a reality now and for future generations



Recommendation 3

The Commissioner has recommended that the Welsh Government ringfences funding for prevention, which increases over time. This reflects calls from several organisations at a UK level. The **Welsh Government should also explore other, complementary ways of encouraging investment in prevention.** This should include working with public bodies to:

- **strengthen the understanding of the levels of investment in prevention** and its impact
- build on work to embed prevention in the budget process, considering, for example, opportunities to bring funding together across different parts of the system to support prevention;
- incentivise and protect preventative spend at a local level; and
- learn from others beyond Wales, for example, taking account of the work CIPFA is undertaking on understanding preventative spend.

There's no data on current levels of preventative investment – this work aims to change that

To what extent can we quantify local authorities' levels of preventative investment related to the building blocks of health?



Define prevention



Co-produce plans with
partner councils



**Map and measure
preventative investment**



Publish results and
determine next steps
(October 2025)

Learn more at [Investing in prevention](#)

Councils shape many of the building blocks of health, reducing demand for reactive services and building community resilience



Building blocks of health: The essential conditions and resources that build healthy lives (safe and affordable housing, good work, active transport, access to green space)

Prevention: Action designed to reduce the likelihood or severity of demand for reactive services and build community resilience

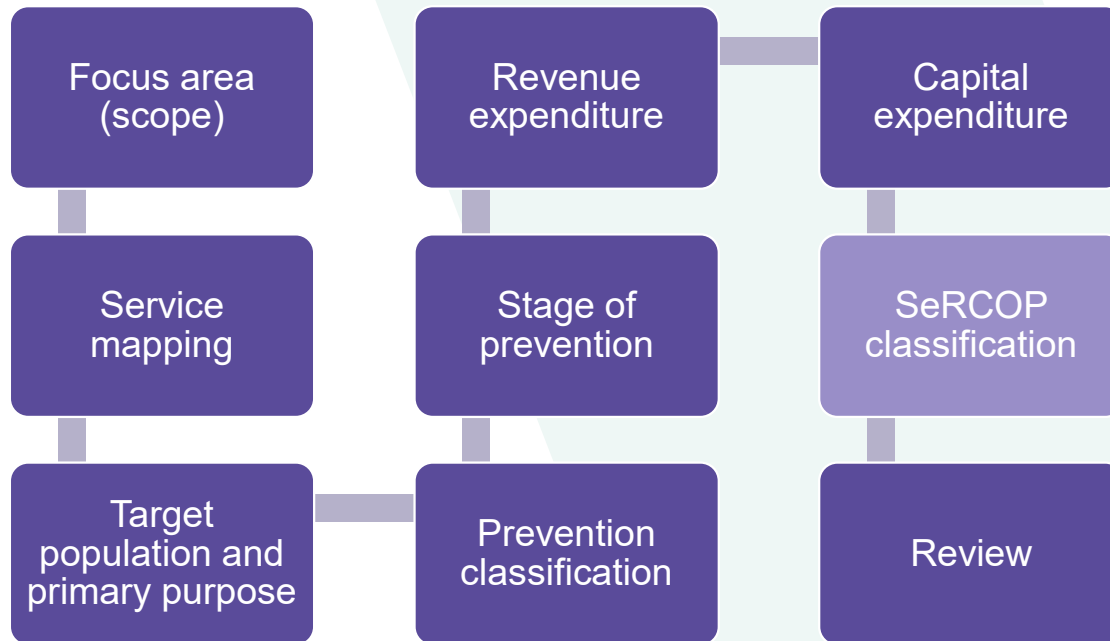
Defining prevention is important, but definitional ambiguity shouldn't stand in the way of progress

Stage of prevention	CIPFA	Welsh Government / Future Generations Commissioner	Public Health Scotland	The King's Fund
Primordial	Aims to improve the wider social, economic or environmental conditions that influence long-term wellbeing and reduce the likelihood of risks arising.			Action to prevent exposure to risk factors in the first place.
Primary	Aims to reduce exposure to known risk factors or strengthen protective factors before any identifiable need arises.	Building resilience – creating the conditions in which problems do not arise in the future. A universal approach.	Invest in the building blocks of health to stop problems happening in the first place.	Action to reduce exposure to risk factors or to mitigate the impact of risk factors once exposure has occurred.
Secondary	Aims to identify and respond to early signs of need or vulnerability to prevent escalation.	Targeting action towards areas where there is high risk of a problem occurring. A targeted approach, which cements the principles of progressive universalism.	Focusing on early detection of a problem to support early intervention and treatment or reducing the level of harm.	Emphasises early disease detection by identifying disease before symptoms have progressed and stopping the disease worsening, if possible.
Tertiary	Aims to support individuals with established needs or conditions, helping to manage their situation and reduce reliance on reactive services.	Intervening once there is a problem, to stop it getting worse and prevent it reoccurring in the future. An intervention approach.	Minimising the negative consequences (harm) of a health issue through careful management.	Action to help people manage symptoms and prevent further disease progression once the disease has already developed.

Partner councils across England and Wales are proving it's possible to map and measure preventative investment



Finance professionals have a role in making preventative investment visible



Challenges

- Drawing boundaries around the focus area
- Prioritising primary purpose (design intent) over outcomes
- Capturing both revenue and capital expenditure
- Apportioning spend when disaggregation isn't possible
- Knowledge concentration/dispersion

Learn more and stay in touch

Zachary Scott

Policy Researcher, Prevention, CIPFA

zachary.scott@cipfa.org

Eleanor Roy

Policy Manager, Health and Integration, CIPFA

eleanor.roy@cipfa.org