The adaptation of the WSIPP benefit-cost model for England

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- •Using evidence to improve children's outcomes
- •Increasing the use of evidence in children's services
- •Focus on prevention and early intervention

The Social Research Unit

- Linking outcomes to cost-benefit
- Overview of the WSIPP cost-benefit model
- Adaptation to the UK
- •Costs and benefits of a school-based intervention
- Limitations of our cost-benefit analysis
- Latest news

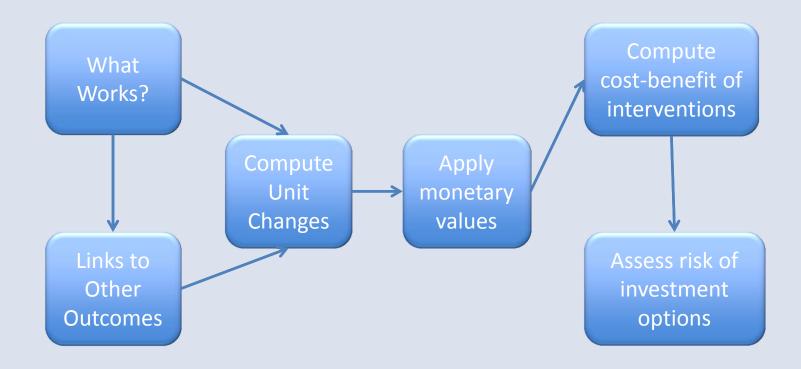
Outline

- Trials measure interventions' impact on outcomes (ES)
 - Behaviour
 - Mental health
 - Education
 - etc.
- All improvements benefit children & families
- Some improvements can be translated into monetary benefits to children, families, & society

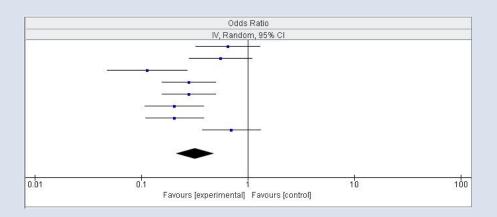
Linking outcomes and cost-benefit

- Empirical evidence
- Consistent across interventions and policy areas
- Cautious estimates
- Used in real-world policymaking

Overview of the WSIPP Cost-benefit model



WSIPP Cost-benefit model



- Literature Review
- Effect size calculation
- •Effect sizes reduced for weak methodology and risk of bias
- Meta-analysis

What Works?



- Causal link between one outcome and another that can be monetised
- Based on empirical evidence from longitudinal studies

Links to Other Outcomes



- •Determine the rate of the outcome in an 'untreated' population
- •e.g. average rates of school completion
- Apply intervention effect (or linked effect)
 to that base rate

Unit Change

- Unit costs of interventions
- •How much is it worth to us to achieve outcomes?
- System costs
- Prevalence rates
- Population statistics
- Economic inputs

Apply Monetary Value

$$NPV_{progage} = \sum_{y = progage}^{N} \frac{Q_y \times P_y - C_y}{(1 + Dis)^y}.$$

Combine:

- •The mean effect size from studies
- Long-term outcomes and their value
- •The cost of the intervention

From age of treatment through life course

Compute Cost-benefit



- •All estimates include some uncertainty
- Randomly vary most factors
- Test for likelihood of a net benefit (or loss)

Assess Risk of Investment



- •UK figures
- Units (e.g. classroom sizes)
- Staff turnover
- Set-up costs

Limitations: Costs of interventions

- Additional benefits that are not monetisable
- Model designed for Washington state
- Source of benefits vs benefits to system

Limitations: Value of benefits

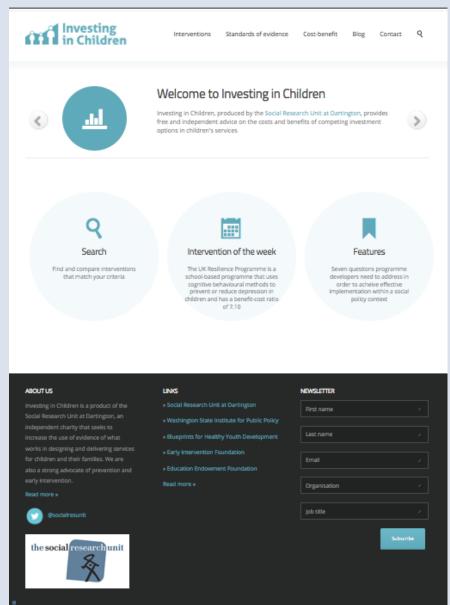


- Intervention costs vary
- •Benefits over lifetime
- Benefits not necessarily cashable

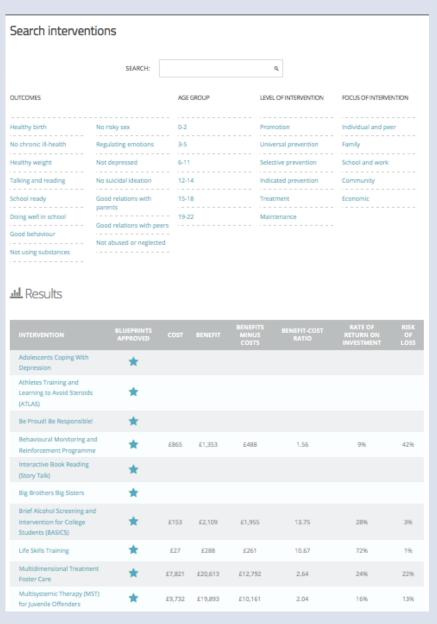
Limitations: Investment advice vs budgeting tool

- •Most programmes that improve outcomes will also yield a quantifiable net benefit
- •However, some will not
- •When making policy and investment decisions in children's services, where should cost-benefit fit in?

Implications



Investing in Children



The IiC Website



Thank you!

For more information please visit:

www.dartington.org.uk

www.investinginchildren.eu