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Ysgrifennydd y Cabinet dros Gyllid
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Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref

Llyr Gruffydd AM
Temporary Chair
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Dear Llyr,

Ahead of the forthcoming publication of the outline draft Budget 2019-20, I am writing to update you about the work to establish a shared understanding around a definition of prevention.

When I gave evidence to the Finance Committee during last year's Budget scrutiny, I said discussions were ongoing with our public and third sector partners to define preventative spend.

We have worked with a number of organisations, including Wales Council for Voluntary Action and the Future Generations Commissioner (FGC), to move this important agenda forward. The discussions culminated in a roundtable event in July, organised by the Commissioner's office and attended by Welsh Government officials, the third sector, Public Health Wales, the fire service and academics. It was constructive and has helped to shape our thinking.

We have now agreed a definition of prevention. I hope it will provide a useful framework, which allows an holistic evaluation of government expenditure:

Prevention is working in partnership to co-produce the best outcomes possible, utilising the strengths and assets people and places have to contribute. Breaking down into four levels, each level can reduce demand for the next:

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

- **Primary prevention** – building resilience – creating the conditions in which problems don't arise in the future. A universal approach.
- **Secondary prevention** – targeting action towards areas where there is a high risk of a problem occurring. A targeted approach which cements the principles of progressive universalism.*
- **Tertiary prevention** – intervening once there is a problem to stop it getting worse and prevent it reoccurring in the future. An intervention approach.
- **Acute spending** – spending, which acts to manage the impact of a strongly negative situation but does little or nothing to prevent problems occurring in the future. A remedial approach.

***Progressive universalism** is a determination to provide support for all, giving everyone and everything a voice and vested interest, but recognises more support will be required by those people or areas with greater needs.

We will use this definition to classify a spending area in each of the six Main Expenditure Groups (MEGs) in this budget round. An analysis of the results, which will be set out in the detailed draft Budget – published on 23 October – will provide a preliminary insight towards the proportion of spend in each category.

These findings will help to inform our thinking further and will provide a useful platform on which we can continue to build on in the future.

I look forward to working with the Finance Committee during its scrutiny of the draft Budget.

Best wishes,
Mark

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