proportionately more young offenders in custody in England and Wales than anywhere else in Europe, this must be a cause for concern.

5. Shifting resources to prevention and early intervention

The final key area which I want to describe to you today concerns the government's belief that the earlier one can intervene to prevent offending or reoffending the better. It is said that once young offenders become embroiled in the criminal justice system, it is often too late to steer them away from a life of crime. The particularly high reconviction rates for young offenders testify to this. The new legislation therefore introduces a range of measures for 'nipping offending in the bud', the most important of which *is* the Final Warning Scheme.

Final Warning Scheme

An important plank of Government policy is that children and young people who offend should be targeted before they even get to the court stage. In many cases, some form of warning will suffice, but often more might be needed. The new legislation therefore replaces the current system of cautioning for juveniles with a new Final Warning Scheme, which includes an opportunity to address the behaviour of young people who may be starting to go off the rails. Under the new legislation, the police have two options for dealing with juvenile offenders whom they do not charge. They can either be given a police reprimand or a final warning. Reprimands are usually used for first time offenders who have committed relatively minor offences, whereas final warnings are used to address the young person's offending behaviour before they reach the court stage. Final Warnings usually trigger the intervention of the local Youth Offending Team, which then prepares a programme of interventions designed to address any problems which might be contributing to the youngster's offending and prevent further offending.

Under the old system, 80% of young people who were cautioned did not reoffend within 2 years, but some serious offences never reached court, multiple cautions were found to be ineffective and there were serious disparities in the use of cautions between different areas of the country. It was felt that the system of cautioning effectively allowed some young people to offend with impunity and this, it was thought, was bringing the system into disrepute.

Compared with the system of cautioning it replaced, the Final Warning scheme is much more prescriptive and interventionist. Rather than running the risk of diverting potentially serious and persistent young offenders from prosecution and hence any kind of effective intervention, the new system now assesses the seriousness of the offence using gravity factors ranging from 1 to 4, with those reaching the highest level (4) being formally charged. A special assessment tool (ASSET) is then used to determine what needs to be addressed to prevent further offending and a change programme is designed accordingly. Compared with the old system of cautioning, the police now have considerably less discretion and there are therefore concerns that the new scheme may lead to net-widening. Not until we have the full results of the pilot evaluations will know whether this fear is confirmed.

It is laudable that much of the Government's current efforts to tackle youth crime are firmly grounded in research-based evidence on the causes of crime. The introduction of the child safety order, the local child curfews and the final warning scheme are all justified by research findings which show that the younger the age at which children begin to offend, the more likely they will become career criminals. One of the key issues, however, is whether any of the considerable resources which are currently tied up in identifying and processing young offenders can be shifted to the potentially more effective strategy of preventing children from becoming offenders in the first place. The Audit Commission, following the publication of its report 'Misspent Youth' in 1996 identified a number of ways in which savings could be made. Among the most significant savings identified are: