



HM Government

# Social Justice: transforming lives One year on

April 2013



# Social Justice: transforming lives One year on

Presented to Parliament  
by the Secretary of State for  
Work and Pensions  
by Command of Her Majesty  
April 2013

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# Foreword by the Secretary of State for Work and Pensions

A year ago, we published *Social Justice: transforming lives* (Cm 8314)<sup>1</sup>, a landmark document challenging the status quo and setting out a new vision for supporting the most disadvantaged families and individuals across the UK. *Social Justice: transforming lives* put early intervention and prevention first, whilst also offering every member of society a second chance.

One year on, it is clear that achieving social justice requires a sweeping cultural change, spanning not only families and individuals, but also public services and the way the Government funds them.

We are making an historic break from a system that, despite many good intentions, failed those most in need – unwittingly fostering dependency rather than encouraging independence; maintaining people in disadvantage rather than transforming lives; spending public money without achieving outcomes or changing lives; and allowing vested interests to obstruct change and prevent dynamic new local approaches from developing.

Some of the statistics showcased in this report illustrate the scale of the challenge. Almost two-thirds of children aged 12 to 16 in low-income households do not live with both their birth parents. Over a third of young offenders reoffend within a year, and despite recent progress, just 40 per cent of all those who first entered drug treatment between 2009 and 2012 successfully completed treatment by the end of this period. Around one million people have been stuck on a working-age benefit for at least three out of the past four years, despite being currently judged capable of preparing or looking for work.

But behind these headlines, we are already leading groundbreaking change. The introduction of Universal Credit demonstrates that the status quo can be overcome, creating a welfare system that ends the benefit trap and ensures work always pays.

There are 350,000 fewer people out of work than a year ago, mainly reflecting a fall in those furthest from the labour market, no longer left on the sidelines and forgotten. In London, early engagement with gang members has seen more than 40 per cent of those worked with move into employment, education or training. And to ensure that every pound we spend delivers life change, we have introduced payment by results contracts across the social justice landscape, from addiction treatment and back-to-work schemes, to reducing reoffending and rebuilding troubled families.

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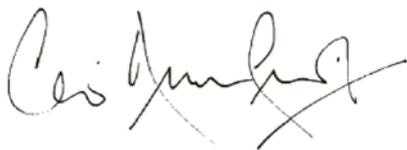
<sup>1</sup> HM Government, 2012, *Social Justice: transforming lives*, Cm 8314, TSO.

Doing so means that government can incentivise the outcomes it really values, interventions that put the building blocks in place for people to turn their lives around – strong families, employment, education and training, housing and health – rather than piecemeal programmes that serve merely as sticking plasters for social ills.

To support these innovations, and the social ventures that so often bring them to life at the local level, we are committed to developing the social investment market, harnessing the capital, expertise, and rigour of the private and social enterprise sectors. We are already world leaders in this field, with 13 social impact bonds and the establishment of the Big Society Capital, the first social investment institution of its kind in the world. But we want to see a step change, encouraging and enabling a wider range of private investors to put their money into ventures that will bring them a social, as well as a financial return, so I am delighted that the Government is to introduce a new tax relief for social investment.

The case studies included in this report show how much can change in a year, and what this change means to individuals. It is to the credit of those championing social justice in government, at a local level and across the voluntary sector, that we have achieved such traction in a relatively short time.

Nevertheless, the challenges we face remain severe, and we must operate in a financial climate that is, and will continue to be tough. It is only by transforming the culture of funding and delivering services that we can fulfil our vision of transforming lives.

A handwritten signature in black ink, appearing to read 'Iain Duncan Smith', written in a cursive style.

**The Rt. Hon. Iain Duncan Smith**  
Chair, Social Justice Cabinet Committee  
Secretary of State for Work and Pensions

# Introduction

Tom was 14 when he began truanting from school, taking drugs and drinking heavily and by the age of 17 he had received a custodial sentence. Tom was given a second chance by Coldwell Boxing and has since gained National Vocational Qualifications (NVQs) in Sports Training and Coaching, and is now working as a paid apprentice.

Danny had been involved with gangs, in prison and homeless, yet is now using his experiences to help others. He set up his own community organisation, Acknowledging Youth, and has helped over 300 disadvantaged young people find work or set up their own business in the last year alone.

Against a backdrop of difficult economic conditions and pressure on government spending, success stories like these often go unnoticed. But whilst change doesn't happen overnight, every day vital local services, inspirational frontline leaders and community groups are making a real difference to the lives of the UK's most vulnerable people.

In March 2012, with the publication of *Social Justice: transforming lives*, the Government set out its commitment to working hand in hand with these organisations, in order to help the hundreds of thousands of individuals and families still experiencing serious and overlapping disadvantages.

The Social Justice strategy outlined how family breakdown, low educational attainment, worklessness, problem debt, and addiction combine to cause the entrenched poverty affecting many of our communities. The strategy highlighted both the complexity of the issues many people face, and that action to prevent and overcome disadvantage is possible at any stage of life.

Yet our intention was not only to uncover the scale of the problem, it was about meeting the challenge. The strategy signalled that a deep cultural change was needed at the heart of government and beyond to move towards tackling the causes of poverty rather than just its symptoms – addressing the issues that hold families back so that people can move from dependency to independence and the next generation can achieve their full potential.

This vision for social justice complements the Government's commitment to eradicating child poverty, set out in the 2011 Child Poverty Strategy<sup>2</sup>. In both cases, we are changing the approach to poverty. Although income is important, we know that people only really turn their lives around when they tackle the underlying causes of their poverty – dealing with problem debt, overcoming their addiction, getting the skills they need and progressing into work. Both strategies are about driving meaningful life change, not simply moving people above an arbitrary poverty line.

To achieve this vision, *Social Justice: transforming lives* committed the Government to a radical new approach based on five principles:

1. A focus on prevention and early intervention.
2. Where problems arise, concentrating on recovery and independence rather than maintenance.
3. Promoting work for those who can as the most sustainable route out of poverty, while offering unconditional support to those whose disability or circumstances mean they cannot work.
4. Recognising that the most effective solutions will often be designed and delivered at a local level.
5. Ensuring that interventions provide a fair deal for the taxpayer.

Underpinning all of these principles is a transformation in the way the Government funds and delivers services for the most vulnerable. For too long, we have poured money into social programmes but with too little regard to what our interventions are actually achieving in terms of life change for those in need. As a result government spending has risen, yet social breakdown has risen at the same time.

We can no longer base our social policy on inputs, judging our success by how much we spend. Nor can we spend the vast majority of our resources reactively, dealing with problems once they've become entrenched. The Troubled Families programme estimates that of the £9 billion the Government spends on these families, £8 billion is reactive and only £1 billion preventative. That has to change. Especially in tough economic times, every pound we spend must bring about the positive, sustainable outcomes that people so badly need.

*Social Justice: transforming lives* laid out a vision and a strategy for achieving social justice. In October 2012, as part of putting that strategy into practice, we published the *Social Justice Outcomes Framework*<sup>3</sup>. Comprised of seven key indicators, the framework reflects our key priorities, provides clarity on what we want to achieve, and sets the benchmark against which our progress can be judged.

This progress report now focuses on how we are delivering on our vision for social justice. That means embedding the social justice principles into service delivery at national and local level, in government and across the private and voluntary sectors – transforming lives in the process.

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<sup>2</sup> HM Government, 2011, *A New Approach to Child Poverty: Tackling the Causes of Disadvantage and Transforming Families' Lives*, Cm 8061, TSO.

<sup>3</sup> HM Government, 2012, *Social Justice Outcomes Framework*, Department for Work and Pensions.

## Delivering Social Justice



We have already delivered significant change:

- We are targeting action during children's early years to prevent social problems from arising in the first place, for example by training an additional 4,200 health visitors, and delivering relationship support to build strong families which we know offer children the best start in life.
- We are investing in the Pupil Premium, supporting our most disadvantaged children to succeed at school and make the transition to independent adult life, ensuring that individuals' future life chances are not determined by their background.
- We are giving those whose lives do go off course a meaningful second chance, pushing ahead with new approaches to rehabilitation – including more than 10 pilot programmes to deliver full recovery for drug and alcohol dependents, and a new approach to supporting ex-offenders focusing on full reintegration into the community.
- We are making work a central part of the solution, thereby offering people self-esteem, structure and a stake in society, as well as earnings. The implementation of Universal Credit from this year is a major milestone towards delivering social justice, providing the incentive for more people to move into work, increase their income and become self-sufficient.
- We have established the UK as the world leader in social investment, securing millions of pounds of private capital in pursuit of social goals. This investment is enabling innovative service provision by local agencies, including 13 Social Impact Bonds to tackle persistent problems ranging from rough sleeping to increasing the number of adoptions of vulnerable children.
- We are supporting inspirational grassroots leaders – such as the people behind Coldwell Boxing and Acknowledging Youth highlighted above. With Whole-Place Community Budgets and the Big Lottery Fund, we are enabling local solutions to tackle even the most complex, overlapping and intractable issues that people face.
- We are using taxpayers' money more effectively – pioneering payment by results models that allow providers to develop ground-breaking solutions. In employment and rehabilitation services, amongst others, this means we only pay for results that translate into real, positive improvements in people's lives.

Within this report we highlight inspirational examples of how people's lives have changed over the last year, demonstrating how social justice is becoming a reality. In the supporting documents, we also mark our detailed progress against each of the commitments in *Social Justice: transforming lives*.<sup>4</sup>

Whilst there is still a great deal to do, one year on, progress is being made and we are seeing signs that radical, far reaching cultural change can be achieved.

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<sup>4</sup> See *Social Justice Outcomes Framework April 2013* and *Progress on commitments in Social Justice: transforming lives* for a brief summary of progress against all commitments in *Social Justice: transforming lives*, and details of each of the Social Justice Outcomes Indicators [www.gov.uk](http://www.gov.uk)

# Chapter 1: Supporting families

## Our ambition

Families are the foundation of our society and we are committed to supporting and strengthening family relationships. Evidence shows that it is good quality<sup>5</sup> and sustained parental relationships<sup>6</sup> that matter most, providing a nurturing environment, giving children the best possible start in life and the chance of a successful future. The presence of the same two parents, where practicable, in a safe, warm, stable relationship, is therefore especially important.

However, families are becoming more unstable, with about 300,000 families separating each year.<sup>7</sup> Overall more than four million children do not live with both their parents.<sup>8</sup> Our Key Indicator 1 shows that 65 per cent of 12-16 year old children in low-income households do not live with both birth parents, 26 percentage points higher than the figure for better-off households. The scale of the challenge facing parents is illustrated by the fact that between July 2011 and February 2013 around 12.4 million parents in England alone used free advice services, with around 40 per cent of these calls coming from families on incomes of less than £15,000.<sup>9</sup>

But multiple relationship transitions and sustained parental conflict can adversely affect a child's development<sup>10</sup>, with potentially long-lasting detrimental effects. Problems with mental health and wellbeing, alcohol use, lower educational attainment and problems with children's own relationships are all linked to negative experiences of family relationships.<sup>11</sup>

It is therefore vital that we reduce the number of families that are breaking down and experiencing conflict.

<sup>5</sup> Moore K, Kinghorn A and Bandy T, 2011, *Parental Relationship Quality and Child Outcomes across Sub-groups*. Available at: [http://www.childtrends.org/Files/Child\\_Trends-2011\\_04\\_04\\_RB\\_MaritalHappiness.pdf](http://www.childtrends.org/Files/Child_Trends-2011_04_04_RB_MaritalHappiness.pdf)

<sup>6</sup> Martinez J and Forgatch M, 2002, *Adjusting to Change: Linking Family Structure Transitions with Parenting and Boys' Adjustment*. *Journal of Family Psychology*. 16:2, 107-177.

<sup>7</sup> Cited in National Audit Office, 2012, *Child Maintenance and Enforcement Commission: Cost Reduction*.

<sup>8</sup> Office for National Statistics, 2010, *Population Trends*, 140.

<sup>9</sup> DfE six monthly provider survey, September 2012.

<sup>10</sup> Coleman L and Glenn F, 2009, *When Couples Part: Understanding the Consequences for Adults and Children*, One Plus One.

<sup>11</sup> Mooney A, Oliver C and Smith M, 2009, *The Impact of Family Breakdown on Children's Wellbeing*, DCSF Research Report 113.

### Key Indicator 1: Family stability

A stable family environment will be influenced by a number of complex factors. This can include whether and how often parental relationships change; the quality of the relationships within the family, particularly the absence of intense conflict; and the ability of parents to provide a safe and nurturing environment for their children to develop. No single indicator can capture all of these elements and we are constrained in what we can measure by the data available.

However, given that family stability is crucial to a child’s development, we set out in the *Social Justice Outcomes Framework* our intention to measure the proportion of children in a stable family free from breakdown, and the proportion of such families that report a good quality relationship.

We were careful to emphasise that this choice of indicator should not be interpreted as saying lone parents and step families cannot provide high levels of love and support – all types of family structure have the potential to provide the stability that is vital for enabling good outcomes.

The indicator picks out the numbers of children who live with their ‘natural’ parents. This is not an ideal measure because it cannot reliably capture those families where two parents have had parental responsibility for their child since birth, but either one or both is not genetically related to the child. We would prefer to use an indicator which recognises the increasing number of complex genetic relationships that may exist in long term stable families, but none is currently available. Over time we will work with research partners to develop a more sophisticated indicator that does not pose these problems.

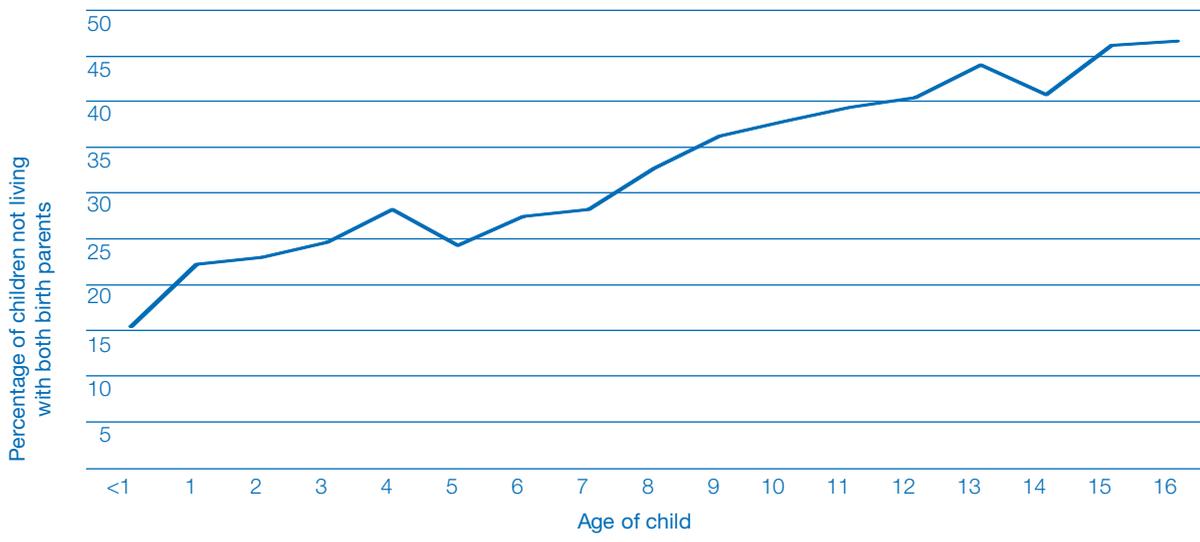


Figure 1. The percentage of children not living with both of their birth parents by age of child

— % of children not living with both birth parents

Base: 14,587 children aged 0-16.

Source: Understanding Society wave 2 (2010–11).

It should be noted that the percentage of children not living with both birth parents includes those living in lone-parent families, step families, adoptive families, foster families or those who are in the care of relatives. Due to data constraints, we are unable to reliably separate out those instances where such family arrangements have been present throughout the child’s life.

### Key Indicator 1: Family stability (continued)

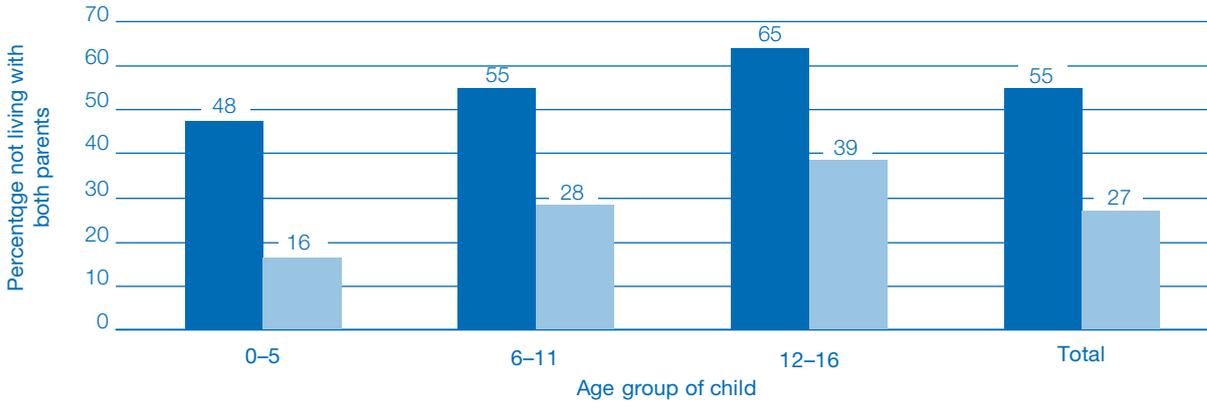


Figure 2. The percentage of children in low-income households not living with both parents compared to the percentage of children in middle- to high-income households.

- Children in low-income households
- Children in middle- to high-income households

Base: 14,583 children aged 0-16.

Note: Children in low-income are defined as the bottom 20 per cent of children living in households with the lowest income, and children in the middle- to high-income group are the 80 per cent of children living in households with an income above this; based on relative gross household income, before housing costs.

Source: Understanding Society wave 2 (2010–11).

### Relationship quality

The quality of the relationship between parents and between parents and their children is also important in providing children with a stable environment in which to grow up and thrive. There are a number of factors that can distinguish a high quality relationship between a child's parents. This makes it difficult to construct a sufficiently robust and nationally representative indicator of how relationship quality within families is changing. However, this is something we will continue to review.

Our best estimate, using the Understanding Society survey, is that between 11 and 28 per cent of children live in families where married and co-habiting parents report some level of unhappiness with their parental relationship.

For more detailed information about this indicator, see *Social Justice Outcomes Framework April 2013*<sup>12</sup> and *Progress on commitments in Social Justice: transforming lives*<sup>13</sup>.

<sup>12</sup> HM Government, 2013, *Social Justice Outcomes Framework April 2013*, Department for Work and Pensions.

<sup>13</sup> HM Government, 2013, *Progress on commitments in Social Justice: transforming lives*, Department for Work and Pensions.

## Our strategy

We are committed to ensuring families have the help and support they need. In the first instance, this means prioritising children's early years when parents are the main influence on their children's outcomes, as well as offering relationship and parenting support to help families solve or manage conflict.

For families suffering the most severe disadvantage, we recognise that a more concerted effort from a range of agencies is needed. Breaking the cycle of poor outcomes across the generations requires better preventative services, more holistic approaches, and the provision of key workers to provide long-term tailored support.

However, despite the best of intentions, in some cases parental separation cannot be avoided. Where families have broken down, our aim is to mitigate the effects on children by helping parents to work together in their children's best interests.

In other cases, when taking children into care or adoption is the appropriate course, we are working hard to ensure children make the transition as quickly as possible into a supportive family environment, minimising long-term negative impacts.

## Progress over the last year – realising our ambition

### Promoting positive family relationships

Our focus is to support families to become resilient to life's challenges, ensuring that parents have access to the help and support they need both to maintain their relationships together and to improve their ability to effectively parent their children.

- We are spending £30 million to 2015 to provide relationship support for couples. The first round of funding, ending in March 2013, delivered: over 48,000 couple counselling sessions; marriage preparation and relationship education for over 6,000 couples; training to over 12,000 practitioners to help them support families experiencing relationship difficulties; and support and information for 12,000 families with disabled children to maintain stronger relationships.
- The CANparent Trial which runs from 2012 to 2014 offers universal parenting classes for all parents of children aged 0–5 in three trial areas, to stimulate a self-sustaining market. Early evaluation shows that a wide choice of parenting programmes have been made available,<sup>14</sup> and survey evidence shows strong customer satisfaction with the classes. We are currently negotiating a contract to run from 2013 to 2015 to underpin market development in the longer term.
- We are testing parenting skills support for vulnerable or chaotic families, including funding trials of a 6-week programme targeted at strengthening co-parenting relationships and increasing fathers' direct involvement with their children.<sup>15</sup>
- We are extending the 11 existing telephone and online help services for parents to also offer a new service for parents of teenagers, particularly those in disadvantaged and vulnerable families, with the aims of improving outcomes during a period in children's lives when they are more likely to engage in risky behaviour.

<sup>14</sup> CEDAR, TNS-BMRB and BPSR, 2013, *CANparent Trial Evaluation: First Interim Report*.

<sup>15</sup> This programme is being delivered through the Tavistock Centre for Couple Relationships and Family Action, and has been shown to have positive effects on children's and families' outcomes when run in the USA. For evidence, see examples at: <http://www.supportingfatherinvolvement.org/publications.html>

## Putting our strategy into practice

Deborah's story shows how supporting parents to enhance their parenting skills can achieve positive results, even in very difficult circumstances, and help families to stay together:

### **Deborah: “My only regret is that I didn't do this ten years ago.”**

Deborah was really struggling to cope with her 16-year-old son. He had been excluded from school, was drinking heavily and using drugs, and became violent, threatening both her and his brothers and sisters. Arguments broke out between the siblings and one child began copying his older brother's behaviour, leading to more conflict: the whole family was on the brink of falling apart.

Deborah thought she should be able to cope, but did not want to get help because it made her feel she was a failure. In the end her health started to deteriorate and she felt she had no choice but to see her GP. Referred by her doctor to Next Link, who provide domestic violence support, they suggested Deborah contact SPAN (Single Parent Action Network).

“It was life-changing. It changed everything,” beams Deborah, “they were totally non-judgemental, they made it clear that it wasn't my fault.”

SPAN work alongside parents, putting together a package of support that is tailored to their needs. They expect them to be motivated to make changes, but also recognise that it is important to build parents' self-esteem and confidence.

Deborah also got support from Action for Children and the Family Information Service, who helped her to develop skills in non-confrontational communication. “Now I have the skills to understand and communicate,” says Deborah, “and as a family we have a much healthier relationship.”

Deborah realised how important it was to seek help rather than try and struggle on alone. “I was always worried about ‘getting into the system’ but all I know is that it's been really good for the family, and certainly good for me.”

Having not worked for 12 years, she is now looking for a job supporting women in similar situations, and has started a mentoring course to give her the skills to find work.

## Support during children's formative years

We are focusing our actions during children's early years where they will have the greatest impact, acting to prevent social problems from arising in the first place as well as improving life chances in the long-term.

- We are on track to double the number of Family Nurse Partnerships to 13,000 and recruiting an additional 4,200 health visitors by 2015. By December 2012, 933 health visitors were in post, bringing the total to 9,000, benefiting the most disadvantaged families by picking up early warning signs in child and parental health.<sup>16</sup>
- Where health visitors are working in multi-agency teams and with the family in the round in order to tackle a range of issues early, we are seeing positive outcomes in improving parents' mental health and addressing other problems, such as housing.<sup>17</sup>

<sup>16</sup> Department of Health, 2011, *Health Visitor Implementation Plan 2011–15, A Call to Action February 2011*.

<sup>17</sup> For example in Tameside and Glossop – Department of Health, 2012, *Health Visiting Contribution to Youth and Family Early Intervention Teams*, Tameside Youth and Family Multi-agency team. Available at: <https://www.wp.dh.gov.uk/publications/files/2012/12/NW23-HV-contribution-to-youth-and-family-2011-12-Final-for-GW-SB.pdf>

- Having offered 15 hours per week of funded early education to all 3- and 4-year-olds, we are extending this to 130,000 2-year-olds from lower-income families from September 2013 rising to 260,000 from September 2014. Trials of this approach began in September 2012 and learning is being shared widely with local authorities.
- Under Universal Credit, 100,000 more families will be eligible for childcare support, with those working less than 16 hours per week becoming eligible to receive childcare support for the first time.
- Further funding of £200 million, announced in March, means that parents will be able to claim up to 85 per cent of their childcare costs from April 2016, if both parents or a lone parent are paying income tax.
- The Government has also announced a new Tax-free Childcare offer that will contribute 20 per cent of working parents' childcare costs up to a cost of £6,000 per child per year for working families not receiving tax credits or Universal Credit.

### Supporting Troubled Families

We are making progress towards helping our society's 120,000 most troubled families through a £448 million scheme designed to deliver truly holistic support to those facing the greatest disadvantages – no longer offering piecemeal provision but addressing social problems at their source and in the round.

- Through a payment by results model, local authorities are incentivised to design services around families and their needs, paid for a range of outcomes that correlate to meaningful life change for those involved.
- This cross-government programme is delivered on the ground through dedicated workers, who co-ordinate the services of different agencies, offering a single point of contact for families, and supporting and challenging them to make positive changes to their lives.
- Launched in March 2013, a new network of 150 specialist Troubled Families advisers from Jobcentre Plus are now helping adults in existing troubled families to find work.
- With the first year of the programme focused on ensuring the systems and relationships with relevant agencies were in place in order to meet this challenging objective, we are now starting to see results.
- Nearly 62,000 families were identified for help by January 2013 – over half of those in need – with sustained momentum going into the second year of the three-year programme.
- Ahead of expectations, local authorities have turned around the lives of 1,675 troubled families after just nine months of the programme. In those families, children are now regularly in school and not committing crime, or adults are in work.

### Supporting separating families to minimise the impact on children

In the event of family separation, we are doing more not only to improve the efficiency and effectiveness of the family law system, but also to minimise the need for court-brokered intervention in the first place. By helping families work together effectively in the best interests of their children, outcomes for those children can be significantly improved.

- In February 2013, we introduced the Children and Families Bill, including measures to replace contact orders that perpetuate power imbalance between parents, with more neutral child arrangement orders.
- As recommended by the Family Justice Review, we are placing increased emphasis on helping more parents and separating couples to resolve disputes outside court, including an expected investment of an extra £10 million for an additional 10,000 family mediations.
- In November 2012, we launched the *Sorting out Separation* web app, offering advice,<sup>18</sup> help and support, as well as a diagnostic tool and signposting for specialist services for separated parents.
- Our £14 million<sup>19</sup> Innovation Fund for Separating Families tests interventions from intensive face-to-face therapeutic sessions to web-based programmes, aimed at reducing conflict among separated parents, including targeted support for disadvantaged teenage parents. A second round will be launched in summer 2013.
- We have undertaken vital reform of the child maintenance system in order to limit the damage and disruption for the children. Unlike now, the new scheme will encourage parents to make their own maintenance arrangements where possible; for those who cannot, it will be more transparent, efficient and responsive, ensuring children do not miss out. The scheme was launched as a pathfinder in 2012, to enable early learning to feed into the wider rollout.

### Improving the adoption and care system

Whilst significant effort is made to intervene early and effectively with families most in need, sometimes it is in children's best interests to consider a care placement. We are clear that the current system of care and adoption requires reform so that children get the right support at the right time, bolstering their future life chances.

- In order to tackle problems early and reduce the need for children to enter care or custody, we are supporting a range of evidence-based interventions including: multisystemic and functional family therapy; multidimensional treatment; and keeping foster and kinship carers trained and supported. More than 60 local authorities work through 35 local partnerships in the current programme.
- Through the Children and Families Bill 2013, we are requiring all local authorities to appoint a Virtual School Head, who will champion the educational needs of all children looked after by their authority as if they attended a single school. Through the continuity and support they provide, virtual schools are shown to enhance the stability of looked-after children, making a positive difference to their educational progress, school attendance and emotional health.<sup>20</sup>
- As part of our commitment to increase the pace of adoption, we have already launched the National Gateway for Adoption – a single first point of enquiry for anyone interested in adoption – with new two-stage and fast-track adopter approval processes due to come into effect in summer 2013.

<sup>18</sup> The web app can be viewed on the Child Maintenance Options website:  
<http://www.cmoptions.org/en/sortingoutseparation/index.asp>

<sup>19</sup> This forms part of £20 million committed to supporting separating families in *Social Justice: transforming lives*.

<sup>20</sup> Ofsted, 2012, *The impact of virtual schools on the educational progress of looked after children*  
<http://www.ofsted.gov.uk/resources/impact-of-virtual-schools-educational-progress-of-looked-after-children>

- In the Children and Family Bill 2011, we have included a duty on local authorities to consider fostering for adoption, in order to see more children living with their potential future adopters as early as possible, and a provision to reduce delay in matching for children from ethnic minorities.
- We have taken steps to ensure that children adopted from care now have top priority for school admissions.
- A package of measures, both legislative and non-legislative, to improve adoption support services will include equalising adoption leave and pay, as well as grant funding for specialist service providers and piloting personal budgets.

### Tackling domestic violence

In some cases, interventions are necessary to avoid the transfer of destructive behaviours from parents to their children – particularly where family life is blighted by domestic violence. We are committed to eliminating domestic violence, ensuring that those who have suffered violence at home have the best chance of rebuilding stability:

- Although levels of domestic violence remain too high, in the updated *Call to End Violence against Women and Girls* report and *Action Plan* published in March 2013, we saw a welcome reduction in levels of domestic abuse experienced in England and Wales between 2004/05 and 2011/12.<sup>21</sup>
- Alongside a greater focus on prevention and rehabilitation, and continued support for victims where domestic violence occurs, we now have a cross-government definition which came into force on 1 April 2013. It has been expanded to include 16–17-year-olds and to cover coercive and controlling behaviours – helping to better identify instances of domestic abuse.
- Since April 2012, we have eased the job-seeking conditions for claimants of Jobseeker's Allowance who are victims of actual or threatened domestic violence, aiming to give individuals both access to financial support and time to stabilise their lives before looking for work. At 1 March 2013, 301 claimants have received an easement of four weeks, and 103 have taken the full 13 weeks. This provision will also be a feature of Universal Credit.
- A research project will explore in more detail implementation of the Jobseeker's Allowance easement policy. Its findings will inform frontline delivery services' provision of the holistic support for victims of domestic violence and their families.

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<sup>21</sup> HM Government, 2013, *A Call to End Violence Against Women and Girls Action Plan 2013*, pp.3 and 4 [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/181088/vawg-action-plan-2013.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181088/vawg-action-plan-2013.pdf)

## Chapter 2: Keeping young people on track

### Our ambition

As we have seen, family comes first – but education is the next most important building block in giving children the best start in life. For all children, school should offer structure and support, as well as the positive platform they need in order to fulfil their potential.

Yet whilst this should be the case irrespective of a child's background, after prior attainment, poverty is currently the single strongest predictor of school attainment<sup>22</sup>. Key Indicator 2 shows that inequality between disadvantaged children and their more affluent peers opens up in the early years and continues to widen throughout school, increasing from an attainment gap of 18.8 per cent at age 4 to 26.2 per cent at age 16.

In addition to performing less well academically, disadvantaged children are also more likely to fall out of the education system altogether.<sup>23</sup> Where the support of a strong family or the effective structure of school is missing, there is a high risk of vulnerable young people falling into criminal activity or gang involvement. 88 per cent of young men aged 15 to 18 in Young Offender Institutions have been excluded from school at some point and 72 per cent have truanted.<sup>24</sup> Once involved in crime, there is a strong chance that young people will continue to offend; as our Key Indicator 3 shows, over a third go onto commit a further offence.

This is a figure which we must see reduce over time, but we must also do more to prevent young people falling into this cycle in the first place – ensuring schools set children on the path to success, instilling them with the knowledge, skills and aspiration they need to prosper.

<sup>22</sup> Department for Education, 2010, *One year on: attainment gaps for children continue to narrow*.

<sup>23</sup> Department for Education, 2011, *Permanent and Fixed Period Exclusions from Schools in England 2009/10*; Department for Education, 2010, *Youth Cohort Study and Longitudinal Study of Young People in England: The Activities and Experiences of 18 year olds: England 2009*.

<sup>24</sup> Murray R, 2012, *Children and Young People in Custody 2011/12: An analysis of the experiences of 15-18 year olds in prison*. London: HM Inspectorate of Prisons/Youth Justice Board.

### Key Indicator 2: Realising potential in the education system

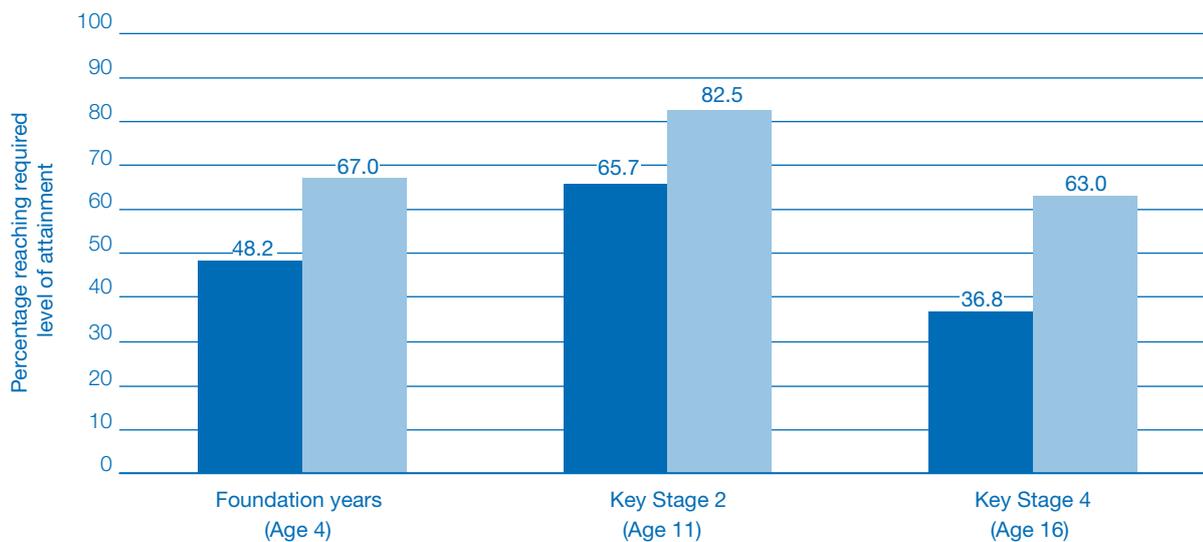


Figure 3. The attainment gap between disadvantaged children and all other pupils at ages 4, 11 and 16 (with free school meals as an indicator of disadvantage), 2011/12.



Source: National Pupil Database.

### Key Indicator 3: Stopping young people falling into a pattern of reoffending

This indicator measures the proportion of offenders aged under 18 years old in England and Wales who reoffend within 12 months.

It shows that between April 2010 and March 2011 35.8 per cent committed another offence within 12 months of release from custody, receiving a non-custodial conviction at court or receiving a reprimand or warning.

This is a 0.5 percentage point increase in relation to January 2010 until December 2010 and a rise of 2.1 percentage points since 2000.

For more detailed information about these indicators, see *Social Justice Outcomes Framework April 2013*<sup>25</sup> and *Progress on commitments in Social Justice: transforming lives*<sup>26</sup>.

<sup>25</sup> HM Government, 2013, *Social Justice Outcomes Framework April 2013*, Department for Work and Pensions.

<sup>26</sup> HM Government, 2013, *Progress on commitments in Social Justice: transforming lives*, Department for Work and Pensions.

## Our strategy

The Government's approach is to provide the additional help needed by children from disadvantaged backgrounds in order to level the playing field. This will mean more children from disadvantaged backgrounds benefit from the support, structure and routine they may lack at home, so that, over time, the gap in educational attainment between them and their peers closes.

For those young people whose lives do begin to go off course, our strategy is to support schools to tackle poor behaviour and absenteeism. Any pupil who is excluded should still receive a good quality education, offering an alternative to gangs and criminal activity, and helping them to set their own lives back on track.

The same applies in areas where gangs and youth violence are rife, and for individuals already in the youth justice system. Our focus must be on helping individuals exit gang life, and rehabilitation to prevent reoffending. By putting education at the heart of a rejuvenated youth custody system, we can ensure disadvantaged young people have a credible way out of destructive cycles of behaviour.

## Progress over the last year – realising our ambition

### The Pupil Premium to support the most disadvantaged children

Children from the most disadvantaged backgrounds often need extra support to achieve their full potential. The Pupil Premium is enabling schools to provide that help.

- In 2012/13, we supported 1.9 million of the most disadvantaged pupils through an investment of £1.2 billion in the Pupil Premium, with a further £1.9 billion to come in 2013/14.
- Successful early use in primary schools is ensuring disadvantaged children are offered help at the start of their education, avoiding the need to catch up later.
- The best secondary schools are identifying eligible pupils who lack basic skills as soon as they arrive, deploying their best teachers to address this.<sup>27</sup>
- Since September 2012, schools have published information on their use of the Pupil Premium and its impact on attainment for disadvantaged pupils, in a way that is more meaningful to parents and the local community.<sup>28</sup>
- In 2012, the Pupil Premium supported nearly 2,000 schools to run a Summer School Programme to help disadvantaged children make a smooth transition from primary to secondary school – this will run again in 2013.

### Measures to tackle absenteeism and exclusion

Truancy and exclusion can further disadvantage children who may already be struggling at school.<sup>29</sup> Following the two reports by Charlie Taylor, an expert on behaviour in schools, we are taking measures to help schools to improve attendance and address absenteeism, and to improve the commissioning and quality of alternative provision for pupils who have been excluded or are not in school for other reasons.<sup>30</sup>

<sup>27</sup> Ofsted, 2013, *The Pupil Premium: How schools are spending the funding successfully to maximise achievement*.

<sup>28</sup> Examples of how the Pupil Premium is being used can be found at: <http://www.education.gov.uk/schools/pupilsupport/premium/a00218585/ppresources>

<sup>29</sup> Barnes M, Green R and Ross A, 2011, *Understanding vulnerable young people: Analysis from the Longitudinal Study of Young People in England*, Department for Education Research Report DFE-RR118.

<sup>30</sup> Taylor C, 2012 *Improving Attendance at School*; Taylor C, 2012, *Improving Alternative Provision*.

- We are focusing absence statistics on children missing valuable lesson time, rather than whether absences are authorised or not.
- Since September 2012, we have increased the amounts for penalty notices applying to parents who fail to ensure regular school attendance.<sup>31</sup>
- We are trialling a new system of exclusion: offering greater flexibility in the use of funding to intervene early with pupils at risk of exclusion; and making schools responsible for arranging appropriate provision for pupils who are excluded.

### Offering an alternative to gangs

While intensive police action to tackle the effects of gang activity and serious youth violence is important, we cannot simply arrest our way out of the problem. Early intervention is crucial, to prevent young people joining gangs in the first place, but we must match this with meaningful routes out of gang life.

- The Government's approach to tackling the problems of gangs and serious youth violence was set out in the Ending Gang and Youth Violence report in November 2011. Evidence of the good work underway was highlighted in the Ending Gang and Youth Violence Report: One Year On<sup>32</sup> in November 2012.
- We are working with the 33 areas facing the biggest challenge around gangs and youth violence, delivered by a team including over 60 expert independent advisers.
- We have put in place dedicated gang advisers in Jobcentre Plus offices in 20 of the most affected London boroughs, actively working with 650 at-risk or current gang members who agreed to engage with advisers between June 2012 and March 2013. By the end of this period more than 40 per cent (290) were in employment, education or training.<sup>33</sup>
- The Department for Work and Pensions has led improvements in information sharing, in order to support local partnerships and a co-ordinated multi-agency approach – including through the Improving Information Sharing and Management project<sup>34</sup>. The Youth Justice Board's gang forums are also enabling practitioners to share emerging practice across the UK.
- In recognition of the central role that health agencies have to play, the Department of Health has included a violence indicator within the new Public Health Outcomes Framework, and included specific mention of violence prevention and information sharing within the mandate to NHS England.
- The Home Office has dedicated £1.2 million over three years to fund a network of Young People's Advocates to support girls at risk of or suffering from gang-related sexual violence.
- The Ministry of Justice has strengthened the legislative framework to support a strong enforcement response including: gang injunctions for under-18-year olds; new aggravated knife possession offences with mandatory custodial sentences; and a mandatory life sentence for adult offenders convicted of a second, very serious, violent or sexual crime.

<sup>31</sup> The rates increased from £50 and £100 to £60 and £120 respectively.

<sup>32</sup> HM Government, 2011, *Ending Gang and Youth Violence: A Cross Government Report*; HM Government, 2012, *Ending Gang and Youth Violence Report: One Year On*.

<sup>33</sup> These figures are provided by internal DWP management information.

<sup>34</sup> For further information see: [www.informationsharing.co.uk](http://www.informationsharing.co.uk)

## Putting our strategy into practice

In the London Borough of Waltham Forest, the multi-disciplinary Family Partnership team – made up of the Youth Offending team and police and probation officers – provides a dedicated worker who seeks to reduce gang involvement by working with the entire family unit, for example: by helping young people access support to get into education, training or employment; working with siblings to reduce further gang involvement; and, when necessary relocating families who need to leave their neighbourhoods to escape gang culture.

The Manchester Integrated Gang Management Unit is a multi-agency team aimed at safeguarding young people, families and communities from violent gang activity, and supporting gang members to leave their gang lifestyle. The partnership includes Children's Services, Youth Offending Service, Probation and the Greater Manchester Police Xcalibre Task Force.

The case study of Adam below shows how, through the use of intensive support and mentoring, these projects are having a dramatic impact on the educational performance of young people involved in gangs. Further information on the Innovation Fund is provided in Chapter 3.

### Adam: "I've left the gang and my school days are back on track"

When Adam was just four, his father was sent to prison for a drugs-related murder, leaving Adam's mother to raise him and his two brothers by herself.

"I thought if I was on the streets and I hadn't got a gang to hang around with, I wouldn't be safe."

When Adam was 14 he became involved in a local gang; starting fights, mugging younger children and occasionally assisting in dealing drugs.

That's when Darrin, a progression manager from Think Forward got involved, through an initiative supported by the Department for Work and Pensions' Innovation Fund aimed at raising the aspirations of teenagers who have grown up facing a lack of opportunities and successful role models.

"Darrin explained what could happen to me. He had a friend, just like me, doing every crime I'd been doing. He'd no life at all – couldn't get a job. I didn't want to be like him by the time I was 25."

"It's about building up their confidence," says Darrin, "building up their self-esteem, getting them to have a bit of self-worth and giving them an opportunity to shine and letting them see they've got a talent somewhere."

As well as conducting one-to-one sessions and workshops on employability, life skills, and trust building, Darrin arranges visits to businesses in the City of London to help teenagers find out about the world of work and the kind of things employers are looking for.

With the support of Think Forward, and Darrin, Adam was able to leave the gang, and improve his behaviour and school work. He's now confident that his security lies in the prospect of a stable job – and is looking forward to earning a wage so that he can help his mum.

## Rehabilitation through the youth justice system

If preventative measures fail and young people do become involved in criminal activity or anti-social behaviour, it is essential that the youth justice system focuses on rehabilitation – stopping young people from falling into a pattern of reoffending that lasts into adulthood.

- We are promoting the use of restorative justice with young offenders. For example, where a guilty plea has been entered, courts are now able to increase the use of Referral Orders – sentences based on restorative justice principles involving members of the community and victims.
- Through the Youth Justice Reinvestment Pathfinder scheme, we are testing an ‘invest to save’ approach, incentivising local authorities to reduce the number of young people going into custody. Four areas initially took part in this pilot, which began in October 2011, and will run for two years. We will publish an independent evaluation of the first year of the scheme in 2013.
- We have published plans to put education at the heart of what custody delivers, seeking in turn to reduce reoffending and set young offenders on a path to a better life.<sup>35</sup>

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<sup>35</sup> Ministry of Justice, 2013, *Transforming Youth Custody – Putting education at the heart of detention*, Cm 8564, TSO.

## Chapter 3: The importance of work

### Our ambition

Where people are experiencing disadvantage, we know that worklessness can create and compound social problems. That is why in *Social Justice: transforming lives*, we set out our belief that work should be the norm for all of those who can. By moving into employment, people move away from a state of dependency and experience wider positive effects – gaining a stake in their community and a sense of purpose, as well as transforming their children’s life chances and aspirations.

In the last year, whilst we have seen promising trends, worklessness for some remains a significant challenge. Since the election, inactivity has fallen to its lowest level for two decades, with 250,000 fewer people claiming the main out-of-work benefits.<sup>36</sup> Yet in 2012, there were still 3.7 million UK households – around one in six – where no-one works,<sup>37</sup> despite this number having fallen by 240,000 since 2010.

Equally, amongst those on benefits there remains an entrenched culture of worklessness. Our Key Indicator 4 tells us that around one million people – two-fifths of the 2.3 million benefit claimants capable of some work-related activity – have been stuck on a working-age benefit<sup>38</sup> for at least three out of the past four years. Nothing illustrates more clearly than these statistics that we must continue focusing our efforts on families and communities where worklessness has become a way of life.

We know that the welfare system itself has proved a barrier in the past – its complexity and failure to incentivise work meaning people have been trapped on benefits. But with our welfare reforms now beginning to take effect, together with effective tailored employment support that helps individuals overcome their barriers to work, we can restore the lives of those previously left behind.

<sup>36</sup> Estimated from the headline JSA claimant count, published by ONS, <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcn%3A77-260600>, and the DWP monthly release which covers the working-age inactive benefit client group (incapacity benefits and lone parents on IS) including early estimates, [http://statistics.dwp.gov.uk/asd/asd1/stats\\_summary/stats\\_summary\\_apr13.pdf](http://statistics.dwp.gov.uk/asd/asd1/stats_summary/stats_summary_apr13.pdf)

<sup>37</sup> ONS, 2012, *Working and Workless Households*, 2012, Statistical Bulletin. See: Table A. Available at: <http://www.ons.gov.uk/ons/rel/lmac/working-and-workless-households/2012/index.html>  
Note: A workless household is a household that contains at least one person aged 16–64, where no-one aged 16 or over is in employment.

<sup>38</sup> A working-age benefit is defined as: Jobseeker’s Allowance, Employment and Support Allowance, Income Support, Incapacity Benefit and Severe Disability Allowance.

### Key Indicator 4: Tackling entrenched worklessness

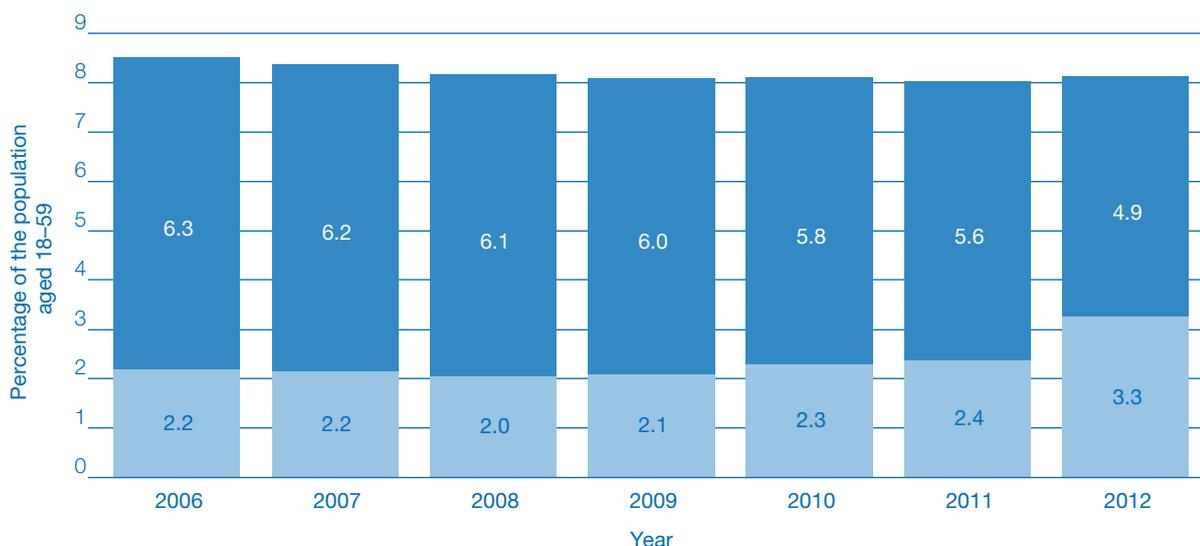


Figure 4: proportion of the population aged 18 to 59 over the preceding four years who had been claiming benefits for at least three of those four years.

- Claimants likely to be further from the labour market – Claiming ESA (Support Group), IB, SDA or IS (exc lone parents), on 31 March of the relevant year
- Claimants likely to be closer to the labour market – Claiming JSA, ESA (Assessment phase or WRAG) or IS for lone parents, on 31 March of the relevant year

Source: National Benefits Database. For further information, see ad hoc statistical release at [http://statistics.dwp.gov.uk/asd/index.php?page=adhoc\\_analysis](http://statistics.dwp.gov.uk/asd/index.php?page=adhoc_analysis)

For more detailed information about this indicator, see *Social Justice Outcomes Framework April 2013*<sup>39</sup> and *Progress on commitments in Social Justice: transforming lives*<sup>40</sup>.

## Our strategy

We are doing all we can to encourage people to make choices that have the potential to transform their lives, both ensuring that work rewards those who take it, and making clear that choosing not to work when you are able is no longer an option.

The introduction of Universal Credit is vital – from this year, replacing the main out-of-work benefits and tax credits with a single, simple payment that will make work pay at each and every hour. By reforming the benefits system we will transform the way people think about work, incentivising them to take the step into employment, knowing they will be better off compared to remaining on benefits.

Yet as well as ensuring people have the right incentives we also need to equip people with the skills and ability to find and flourish in work. We know that those with disadvantages often face greater difficulties in getting into work, requiring intensive specialised support. That is why we are harnessing the expertise of providers in the private and voluntary sectors, paying them for the results they achieve in sustaining the hardest to help in work.

<sup>39</sup> HM Government, 2013, *Social Justice Outcomes Framework April 2013*, Department for Work and Pensions.

<sup>40</sup> HM Government, 2013, *Progress on commitments in Social Justice: transforming lives*, Department for Work and Pensions.

## Progress over the last year – realising our ambition

### Universal Credit to make work pay

Universal Credit marks a complete shift in our welfare culture, changing the incentives in the benefit system so that it acts as a springboard into work rather than a trap. We are making work pay, but also smoothing the transition – with monthly direct payments that mean people will be better prepared and more in control of their money when they do move into employment. These changes most benefit those in the greatest need – of the 3.1 million people who will gain, by £168 per month on average, 75 per cent are in the bottom 40 per cent of the income distribution.<sup>41</sup>

- Regulations supporting the introduction of Universal Credit were laid on 25 February 2013,<sup>42</sup> and the last year has seen the detailed development of the IT system, processes, and plans for implementation.
- The early introduction of Universal Credit begins in the Greater Manchester and Cheshire area from April 2013. Gradual national rollout will start from October 2013 and will be complete by 2017.
- As a default, Universal Credit will be claimed online and paid monthly, direct to claimants – making it a seamless transition into the world of work.
- We are working in partnership with local authorities and other local delivery partners to provide support for vulnerable claimants. In February 2013, we published the Localised Support Services Framework, which set out options for ensuring that individuals with additional needs get timely support, particularly to budget effectively and to access services online.<sup>43</sup>
- In the future, we want to go further, not only to help people into work, but help them progress once there. Through a ‘Call for Ideas’, launched in early 2013, we are exploring new approaches to help people stay and advance in work, for example, by supporting employers to promote training, development and progression opportunities for employees.<sup>44</sup>
- We are pressing ahead with plans to extend the right to request flexible working to all employees from 2014, giving everyone more flexibility and enabling more disadvantaged families to increase their income and continue their journey to financial independence.

### The Work Programme to help the most disadvantaged into work

For people who lack skills or the work habit, who are homeless or recently released from prison, a system is needed that addresses these barriers in order to get them work-ready. That is what we are doing with the Work Programme, tasking providers with doing all it takes to help people into work, and paying them for achieving the lasting job outcomes that will transform people’s lives.

- The Work Programme is now providing specialised employment support to over 800,000 people – more than any previous single programme.

<sup>41</sup> Department for Work and Pensions, 2012, *Universal Credit Impact Assessment*, December 2012.

<sup>42</sup> Universal Credit Regulations 2013: <http://www.legislation.gov.uk/uksi/2013/376/contents/made>

<sup>43</sup> DWP, 2013, *Universal Credit – Local Support Services Framework*, February 2013. For more information: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/181395/uc-local-service-support-framework.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181395/uc-local-service-support-framework.pdf)

<sup>44</sup> Extending labour market interventions to in-work claimants – Call for Ideas.

See: <http://www.dwp.gov.uk/consultations/2013/labour-market-interventions.shtml>

- Statistics released in November 2012 show 207,000 people on the Work Programme have found work so far: more than half of those referred in June 2011 have come off benefits since; around a third have spent at least three months off benefit; and a fifth have spent six months off benefit.<sup>45</sup>
- Through the use of payment by results, we are ensuring that providers are only rewarded for lasting job outcomes, offering the largest payments of up to £14,000 for supporting the hardest to help into sustained work.
- We have tested options for supporting those who may reach the end of the Work Programme and nonetheless remain on benefits. Evidence gathered in 2011/12 is now helping to develop a national programme of support for very-long-term-unemployed claimants from summer 2013.

### Putting our strategy into practice

The case study of Sharon shows how the Work Programme, in collaboration with local organisations, is helping people with the greatest barriers to find, and then progress in employment.

#### **Sharon: “When someone believes in you, it really boosts your confidence.”**

Sharon was young when domestic violence tore her family apart, and she began drinking when her parents split up. From the ages of 16 to 27, Sharon was continuously in trouble with the police, regularly being arrested for drink-related offences. She felt unable to get a job because of her criminal record.

At 27, Sharon was convicted of Actual Bodily Harm. She knew it was time to change. “I was binge drinking for four days in a row, I’d wake up in a cell not knowing what I’d done..., and I thought ‘I don’t want to do this anymore. I need to sort myself out.’”

After a long spell of unemployment, Sharon was enrolled on the Work Programme at her local Jobcentre Plus. She was then referred to Blue Sky, a social enterprise that employs ex-offenders to deliver on local maintenance and waste management contracts.

“Our sole focus is on the employment of ex-offenders, to challenge society’s perceptions about ex-offenders in the community and what they’re capable of, and putting the brakes on the cycle of reoffending,” says Andrea McCubbin, CEO of Blue Sky.

Blue Sky provided Sharon with a package of assistance, including skills development, personal mentoring, help with housing, and support into further employment. “Blue Sky is a bit like a family,” says Sharon, “when you’re doing agency work, you’ve got no support – you just go, do your work and that’s it. But here, if you’ve got problems, they’ll listen to you and if they can help, they will.”

Sharon is currently working as a Street Cleanser, and is glad to be working. The Work Programme now helps to fund additional support that Sharon needs to stay in employment. “Honestly, it’s great. I’m so happy... I wouldn’t want to be unemployed again now. I want to prove that I can do this, I’m just so grateful that they gave me the chance.”

<sup>45</sup> ‘The Work Programme: The First Year’ <http://www.dwp.gov.uk/docs/work-programme-first-year.pdf>

## Helping people gain the skills they need

Through training and learning, we are equipping people with the skills they need to get on in life – improving their prospects of finding sustained work and progressing in the long term, rather than cycling between benefits and low-paid, low-skilled jobs.<sup>46</sup>

- Since 2010, we have helped some one million people start an Apprenticeship and have set out plans for a new Traineeships programme to equip young people with the skills they need to compete for Apprenticeships and other jobs.<sup>47</sup>
- Through tailored community learning provision, we are supporting the most disadvantaged people to learn and progress, including into skills-focused learning and employment.
- In the 2012/13 academic year, 15 Community Learning Trust pilots were set up to develop new local approaches to delivering community learning, including creative ways of engaging and progressing people who are furthest from the job market such as the long-term unemployed, young adults not in education, employment or training, those who are homeless or who have a mental health condition. A full independent evaluation of these pilots will report in summer 2013, in advance of the wider roll out across England from August 2013.
- Through strong inter-agency working, Jobcentre Plus is shaping delivery of services to meet the needs of the most vulnerable claimants and the local labour market, working in close collaboration with local voluntary organisations, colleges and employers.

### Putting our strategy into practice

The Margate Task Force brings together 30 staff from 20 agencies – including police, local authority housing officers, Community Wardens and staff from Jobcentre Plus as well as probation and social services. They work together closely on a street-by-street basis in two of the most deprived wards to identify and then work with families with multiple disadvantages to tackle their problems and move more people towards education or work.

In Plymouth and Torbay, partnership working between probation services, Jobcentre Plus, local businesses and Shekinah, an organisation which provides a range of services to vulnerable adults, has seen positive results – as the case study of Stephen, below, shows.

#### Stephen: “Without Shekinah I’d be in jail or out shoplifting”

Stephen had a tough start in life – his parents were heroin addicts and the family moved around a lot. Stephen left school at 13 unable to read or write, got into petty crime and finally ended up being sentenced to two years in prison at the age of 25. “I always knew from when I was a young lad that I was going to end up going away, it was just a matter of when.”

After leaving prison, Stephen’s probation officer put him in touch with Shekinah, an organisation which provides accredited training programmes for people who are in poverty and experiencing multiple disadvantages.

<sup>46</sup> *A disaggregated analysis of the long run impact of vocational qualifications*, BIS Research Paper Number 106, February 2013.

<sup>47</sup> DfE and BIS, 2013, *Traineeships – Supporting Young People to Develop the Skills for Apprenticeships and other Sustained Jobs: A discussion paper*.

Stephen was helped by Shekinah's socially responsible employment service, Re:work, and within just three weeks he was working and well on his way to being able to support his young family.

Soo Brizell-Hogg, Employability Manager at Shekinah, explains how Re:work helped Stephen. "We don't just find someone a placement, we'll make sure they're ready for work, address any barriers they may have, and then we'll provide continued support to both the candidate and the business. Upon completion of the placement we discuss possible future employment outcomes and then ensure an integrated programme of support for both candidate and business for up to 12 months to ensure a sustainable employment result."

Soo is proud of the outcomes achieved by Shekinah's partnership working. "We don't do this on our own, we work very closely with Jobcentre Plus, we have Job Coaches from local businesses... there's a real network of support for those who come through Shekinah's employment programmes, and I think that's why we're successful."

The local businesses who partner with Re:Work often find their new employees are highly motivated and keen to take advantage of the opportunity to work, whilst also benefiting from reduced recruitment costs.

Meanwhile, Stephen has been able to change his life completely and break the cycle. "The only reason I'm in this situation now is through Shekinah... they've helped me a lot. If I'd never met Shekinah, I'd either be committing crime now, for money, or I'd be in prison."

He now works for a local company in a job he really enjoys, providing his children with a positive role model, and the stability he never had as a child.

### Supporting disadvantaged young people

Since youth unemployment can have long-term wage scarring effects, it is vital that we make sure young people don't end up stuck on the margins of society – taking action before worklessness becomes entrenched. Through a range of specialist interventions, we are helping young people back into education, training or employment, putting them on track for the future.

- The Youth Contract was launched in October 2012, with an almost £1 billion investment over three years to provide specialist support to young people including: opportunities to gain work experience; intensive support from Jobcentre Plus advisers in 20 youth unemployment hotspots; and wage incentives and apprenticeship grants to encourage employers to recruit young people.
- As part of the Youth Contract, we will also be providing up to £126 million through a payment-by-results scheme to support the hardest to help 16–17-year-olds into education or training – those with low or no qualifications who are NEET, who are in or leaving care, or who are ex-offenders.
- Through the £30 million Innovation Fund, we have set up 10 cutting-edge social investment projects supporting disadvantaged young people into education, training or employment. With over 30 investors involved, using innovative delivery models such as peer group and workplace mentoring, relationship counselling, money management support and more, these projects have achieved over 1,500 positive outcomes and aim to help up to 17,000 young people over a three-year period.

## Chapter 4: Supporting the most disadvantaged adults

### Our ambition

Whilst doing all we can to prevent social problems from arising in the first place, the reality is that people's lives can go off course. When they do, it is vital that our response is as effective as possible – addressing root causes in order to break the cycle of disadvantage, so that people can take responsibility for their own lives and improve the life chances of their children.

This challenge is particularly acute when people are experiencing multiple problems that compound each other to create deep disadvantage. So whilst there are clear links between debt and mental health problems<sup>48</sup>, between drug use and crime<sup>49</sup>, and between depression, homelessness and offending<sup>50</sup>, all too often the most severely disadvantaged individuals lack the systematic, wrap-around support they need to overcome their problems in the long-term.<sup>51</sup>

Our Key Indicator 5 shows that just 40 per cent of people who first entered treatment for a drug or alcohol dependency between 2009 and 2012 had successfully completed treatment and not returned by 31 March 2012. Equally, our Key Indicator 6 shows that 25 per cent of people reoffend within a year, with only 11 per cent in employment a year after release.

If we are to make a real difference to lives blighted by addiction, criminal behaviour, and other serious problems, we must see improvements in these percentages year on year: we want to see a higher proportion of people entering treatment going on to make a full recovery free from dependence on drugs or alcohol; and we want to see those leaving prison moving into work, something we know results in a reduction in reoffending.<sup>52</sup>

<sup>48</sup> Meltzer H *et al.*, 2002, *Social and Economic Circumstances of Adults with Mental Disorders*. ONS

<sup>49</sup> Acquisitive crimes include shoplifting, burglary, robbery, car crime, fraud and drug dealing. MacDonald Z Tinsley L, Collingwood J, Jamieson P and Pudney S, 2005), *Measuring the Harm from Illegal Drugs Using the Drug Harm Index*. Home Office Online Report 24/05.

<sup>50</sup> Ministry of Justice, 2012, Results from the Surveying Prisoner Crime Reduction (SPCR) survey.

<sup>51</sup> Revolving Doors Agency and MEAM, 2011, *Turning the Tide – A Vision Paper for Multiple Needs and Exclusions*. London: MEAM.

<sup>52</sup> Ministry of Justice, 2013, Analysis of the impact of employment on reoffending following release from custody.

### Key Indicator 5: Improved outcomes for those receiving treatment for drug or alcohol addiction

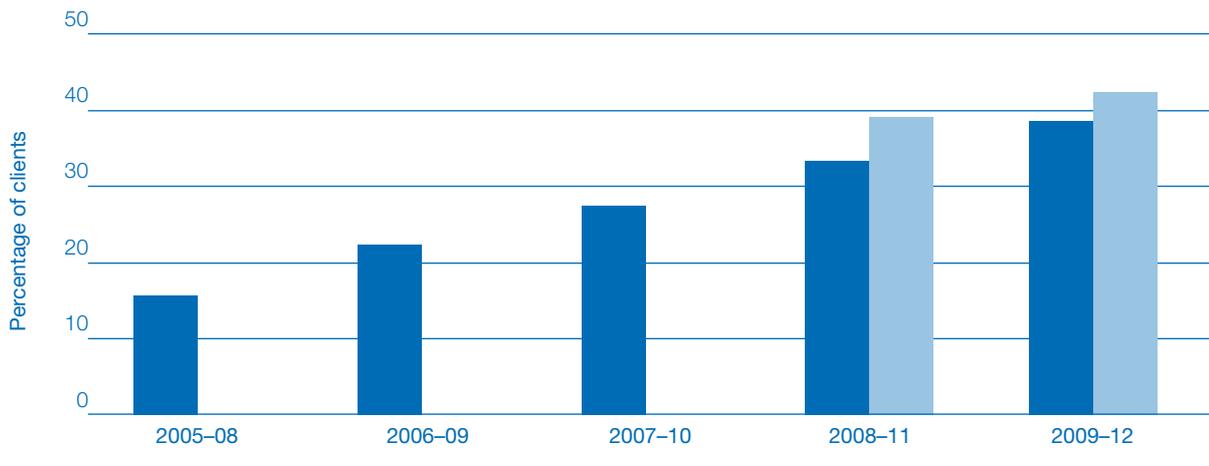


Figure 5: Of those presenting for drug or alcohol treatment for the first time over a three-year period, the proportion who successfully exited treatment and had not returned by the end of that period.

■ Drug treatment  
■ Alcohol treatment

### Key Indicator 6: Improved outcomes for offenders

This indicator measures the proportion of adult offenders in England and Wales who do not reoffend within 12 months, and the proportion who are in work 12 months later.

Between April 2010 and March 2011 the proportion of adult offenders convicted, cautioned or released from custody who did not go on to reoffend within 12 months was 74.6 per cent.

Because new work is underway to develop a datashare between the Department for Work and Pensions, HM Revenue & Customs and the Ministry of Justice it is not yet possible to report on employment outcomes.

The most recently available data show that 12 months after leaving custody in 2008 some 11 per cent of offenders were recorded as being in work.<sup>53</sup>

For more detailed information about these indicators, see *Social Justice Outcomes Framework April 2013*<sup>54</sup> and *Progress on commitments in Social Justice: transforming lives*<sup>55</sup>.

<sup>53</sup> Ministry of Justice and Department for Work and Pensions, 2011, Offending, employment and benefits – emerging findings from the data linkage project. Note: P45 records used to indicate if offender in work.

<sup>54</sup> HM Government, 2013, *Social Justice Outcomes Framework April 2013*, Department for Work and Pensions.

<sup>55</sup> HM Government, 2013, *Progress on commitments in Social Justice: transforming lives*, Department for Work and Pensions.

## Our strategy

We believe that the most effective way of addressing multiple disadvantage is through joined-up, multi-agency initiatives that seek to address problems in the round, rather than in isolation, delivering sustained outcomes over the long term.

For individuals experiencing drug or alcohol dependency, ill health, homelessness, or who have been drawn into a destructive cycle of debt or criminal activity, this requires a step change in the way that social programmes are delivered – transforming lives rather than maintaining people in disadvantage.

In order to achieve this cultural shift we are pioneering new approaches, including payment by results and Social Impact Bonds, in order to drive the outcomes we want to see and develop an evidence base of what works. This is groundbreaking territory, yet across the rehabilitation and treatment sectors alike, our aim is clear: recovery, reintegration into family and community, and sustained employment, offering a meaningful second chance for the most disadvantaged adults.

## Progress over the last year – realising our ambitions

### Tackling drug and alcohol dependency

We are focusing support on getting people free from addiction and on the path to a better life, rather than just maintaining individuals in dependency. Crucial to this is a more holistic approach to rehabilitation, recognising the importance of work, housing and a life without criminal activity as central to a sustained recovery.

- Since April 2012, we have been testing in eight areas how payment by results can incentivise providers to identify and address a whole range of social problems – paying them not just for helping someone overcome their addiction but also for the outcomes they achieve in terms of preventing reoffending, changing their housing situation for the better, and improving their overall quality of life.
- We have completed a pilot in four prisons to address a range of alcohol misuse problems and are currently piloting ‘drug recovery wings’ across 11 prisons – supporting offenders in the process of recovery and connecting them with community drug treatment and recovery services on release. In addition to the pilots, there are also a number of other sites across the country operating drug recovery wings and drug-free wings.
- Under Universal Credit, drug or alcohol dependent claimants who engage with structured recovery-orientated treatment will be offered a six-month period of ‘tailored conditionality’ at the beginning of that treatment. This will ease their work search and work availability conditions, giving unprecedented time and space to engage with treatment effectively and to start to become ready for sustained employment.

- We are also running pilots from April 2013 to test how the Work Programme can deliver sustained job outcomes for people who engage in treatment for drug and alcohol dependency: the Recovery and Employment pilot is testing how far better sharing of skills and resources between treatment experts and Work Programme providers can deliver better employment outcomes for people in treatment; whilst the Recovery Works pilot is testing if rewarding Work Programme providers with a higher job outcome payment for this group will improve employment outcomes.
- We have supported the Recovery Partnership to launch an online resource for employers which provides advice and support for those employing people in recovery.<sup>56</sup>
- The Recovery Partnership will also explore the development of a kitemark for employers, which will indicate an employer is positive about recovery and willing to employ people in recovery.

### Improving outcomes for repeat offenders

We are introducing a fresh approach to rehabilitation, making greater use of the payment-by-results approach and introducing a new focus on life management for offenders. We now expect providers to tackle the root causes of offending, addressing drug or alcohol dependency and helping offenders to access training and accommodation – so that many more offenders can reintegrate into the community.

- We are building on effective Integrated Offender Management arrangements (IOM) – local frameworks that bring agencies together to enable them to develop a consistent and coordinated approach to tackling crime and reoffending, providing holistic support to the most difficult and persistent offenders.
- The main elements of the IOM approach are set out in the *Integrated Offender Management Key Principles*<sup>57</sup>. We are revisiting and refreshing these during 2013, in consultation with representatives of the key agencies involved in the approach.

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<sup>56</sup> The Recovery Partnership is a coalition of Drugscope, Recovery Group UK and the Substance Misuse Skills Consortium. The online resource is available at: <http://www.employmentandrecovery.org.uk/>

<sup>57</sup> Home Office and Ministry of Justice, 2010.

## Putting our Strategy into Practice

The success of IOM is shown by the case study of Tony below:

### **Tony: “Finally I can look in the mirror and feel proud of myself”**

Tony’s life had become entangled in crime, drugs and debt. He was arrested after a string of car robberies, a violent assault, and implication in other offences. His relationship of three years had broken down and after missing his daughter’s third birthday due to imprisonment, he reached a turning point.

“When I was able to call her she just kept on saying that she’d saved me some cake... I was choking up on the phone ... it really upset me. I just thought ‘I’ve got to sort my life out’.”

Following Tony’s release from custody he was highlighted as a prolific and persistent offender and put on the Staffordshire Integrated Offender Management (IOM) scheme. IOM is a national strategy that targets offenders deemed to be the most likely to reoffend and pose the greatest risk to their communities.

Partner agencies who are part of the IOM worked with Tony to address the multiple issues that might have caused him to reoffend. When Tony saw his probation officers, he’d also meet with a drugs worker who provided him with relapse avoidance advice. Additionally, Tony received support stabilising his finances, reducing the risk of him turning back to crime.

Tony was referred to the Right Stuff, a boxing project set up in 2009 by PC Andy Whitehall MBE. They work with those who are at risk of becoming involved in crime or anti-social behaviour.

Tony now volunteers with the gym, and has gained qualifications in Fitness Instructing and Personal Training. After becoming a fully qualified boxing coach, Tony’s confident of finding work in a local gym, and he is keen to use his experiences and passion for sport to help young people.

Tony’s relationship with his ex-partner has also improved enough to allow him to see his daughter every weekend.

“She’s only young, but I want her to be proud of her dad. That means everything to me. I never want to let myself or my family down again. Finally I can look in the mirror and feel proud of myself.”

- We are also transforming prisons so that prisoners have greater opportunities to participate in meaningful and productive work. For example, a printing workshop in HMP Maidstone employs up to 95 offenders who are working 31 hours per week producing goods for a multi-national company.
- All offenders claiming Jobseeker's Allowance have access to back-to-work support from the Work Programme as soon as they are released from prison. Just under 6,000 prison leavers were engaged with the Work Programme by the end of July 2012 following the launch of day one referral for prison leavers in March 2012.<sup>58</sup>
- For the group most likely to reoffend – those sentenced to less than a year in custody – we are testing in two areas the effect of an additional job outcome payment to Work Programme providers who succeed in reducing reoffending as well as helping more ex-offenders into sustained work.
- Through liaison and diversion services in police custody suites and courts, we are assessing offenders for mental health or substance misuse problems at an early stage, so support is available as they progress through the criminal justice system.
- Prisons commissioners are supporting adult offenders' families by offering integrated family support worker services and relationship and parenting skills programmes. These activities will both reduce the likelihood of adults reoffending, but also reduce the risk of offending passing down to the next generation.
- The National Offender Management Service and the Department for Business, Innovation and Skills have jointly commissioned research into the availability of parenting and relationship support for offenders and their families. Outcomes from the research, expected to be available in spring 2013, will enable the provider market to develop its offer so that the needs of offenders and their families can be met, and will also support commissioners in deciding what type of support is most appropriate and in making referrals to that support.
- Prisons are now working in partnership with their Offender Learning and Skills Service provider, the National Careers Service, Jobcentre Plus, employers and others to develop a curriculum offer that focuses directly on the skills needed by employers in the areas where prisoners will resettle. The learning provision focuses on addressing immediate maths and English needs at the start of the sentence and then on relevant, up-to-date, vocational skills in the 12 months leading up to release. As the story of James shows, an increased focus on learning and skills in prisons is helping to set prisoners on a new path once they are released.

## Putting our strategy into practice

### James: “I’m very hopeful of finding work after I leave prison”

James had struggled with his drug problems for a number of years. He had been in prison in the United States and after returning to the United Kingdom ended up serving a nine-year sentence for cocaine possession and trafficking. He had an opportunity to work in the past, but his depression and drug problems prevented him from staying on the right track.

In prison, James was introduced to PICTA – the Prisons Information Computer Technology Academy – where prisoners learn computer skills and get professional qualifications. This time, James was determined to change his life. “I didn’t want to waste my time and sit around doing nothing.”

In addition to providing training, PICTA give prisoners help to put together a CV and give them practical experience which will help them get work in the computer industry.

For James it was a turning point: “Keeping busy and studying has helped with my rehabilitation.” Not only did participating in the course help him recover from his drug dependency, it also gave him the opportunity to study technology – something that he had always been interested in doing. This provided him with real motivation for the first time in his life. “The programme has actually made me happy. All of a sudden I am doing something I like.”

For James, PICTA was just what he needed to turn his life around. With a chance to follow his passion for technology, he’s now free from drugs and no longer depressed. He is also confident of finding a job in IT when he is released, “I’ve not just got qualifications, I’ve got experience – hands-on experience.”

## Preventing homelessness and improving outcomes for homeless people

As well as preventing people from becoming homeless, we are dedicated to giving those who do fall into homelessness a real opportunity to rebuild their lives through improved housing, health, relationships and employment.

- We have launched a ‘Gold Standard’ of homelessness support for local authorities, designed to help authorities stem future increases in statutory homelessness acceptances and rough sleeping by encouraging local authorities to deliver comprehensive preventative services for all those at risk of homelessness.
- All local authorities have agreed to adopt the No Second Night Out approach by the end of the 2013, ensuring more homeless people get the support they need and ensuring swift action to move new rough sleepers off the streets as soon as possible.
- We have also enabled members of the public to connect rough sleepers to local services and help them off the streets by using Streetlink, a mobile website, app and national telephone line.<sup>59</sup> StreetLink was contacted over 9,100 times since its launch in December 2012 and the end of January 2013. Of these, almost 3,000 referrals were made to local authorities to investigate.

<sup>59</sup> See: <http://Streetlink.org.uk/>

- We launched the world's first homelessness Social Impact Bond in December 2012 to help 830 persistent rough sleepers – who accounted for almost half of all rough sleeping in London over the previous year – to come off the streets permanently, secure stable accommodation, find jobs, and manage their health better.
- Homeless Link, funded by the Department of Health's Inclusion Health programme, is working with five local authority areas to explore how health, homelessness and related services can be integrated locally to improve outcomes for homeless people with a dual diagnosis of mental health and problem drug use.
- We are doing similar work to make sure homeless people are able to take advantage of the opportunities offered by the skills system, improving their chances of moving into employment. We have collaborated with homeless charities to produce guidance that supports advisers in working with their clients to make sure they are able to access education and training. A short and simple version of the material is aimed at homeless people themselves.

### Overcoming health inequalities and achieving good mental health and wellbeing

The Government is taking unprecedented steps to address health inequalities, using new statutory powers to provide joined up, holistic health services that tackle the problems underlying poor mental and physical health that can contribute to and embed multiple disadvantage.

- Delivering greater equality in outcomes will be supported by the first ever specific legal duties on health inequalities for NHS commissioners and the Secretary of State. In particular, we are giving local authorities the responsibility for improving the health of their local populations, meaning they can take coherent action to join up the range of local services – such as for housing and skills – that can positively impact of the most disadvantaged.
- We have launched an implementation framework<sup>60</sup> for the 2011 Mental Health Strategy asking local organisations and services to consider the particular needs of the most vulnerable groups, and including suggested actions they can take to ensure they meet individuals' mental health needs.
- We are shortly publishing a mental health 'dashboard', providing an easy-to-understand view of mental health outcomes, broken down by socio-economic group.
- Every Work Programme provider has signed a public pledge to build expertise throughout their businesses to help more people with mental health conditions get the right job.
- To support this, an expert industry-led group made up of Work Programme Prime Providers and specialist providers has recently launched a mental health and employment toolkit that will assist employment advisers to identify need and help people get the right support to achieve their job goal.<sup>61</sup> This is a free-to-use product that providers can adapt for their business model.

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<sup>60</sup> Centre for Mental Health, Department of Health, Mind, NHS Confederation Mental Health Network, Rethink Mental Illness, Turning Point, 2012, No Health Without Mental Health: Implementation Framework.

<sup>61</sup> The toolkit is available on the DWP website: <http://www.dwp.gov.uk/policy/welfare-reform/the-work-programme/>

## Overcoming financial exclusion and problem debt

Financial exclusion and problem debt can contribute to and compound disadvantage – acting as a barrier to work, causing people to fall out of work<sup>62</sup>, and placing strain on personal relationships.<sup>63</sup> The Government is committed to ending the destructive spiral of problem debt, through improving financial education and budgeting support, as well as increasing the supply of affordable credit.

- Universal Credit will reduce the demand for high cost, unaffordable credit by incentivising people to enter and progress in work. For the first time, we will be able to identify those with budgeting difficulties through the benefits system, alongside personal budgeting support so those problem can be tackled.<sup>64</sup>
- Through the new Money Advice Service we are promoting financial capability and better money management to help people who find themselves in high levels of debt to access specialist debt advice.
- We are also proposing to encourage sound money management skills from childhood through the education system, consulting on the new National Curriculum<sup>65</sup> including whether to make financial literacy statutory for the first time, as part of the citizenship programmes of study and to place more emphasis on finance in the mathematics programmes of study.
- The Credit Union Expansion Project will support the expansion and modernisation of credit unions, aiming to increase membership from just over one million now to two million by 2019.
- Jobcentre Plus and credit unions are starting to work together to offer claimants access to credit and basic current and savings accounts, enabling more people to take greater control of their budgets.
- We have announced a full package of measures to tackle problems in the payday loan market, including clamping down on irresponsible practices and non-compliance with the law and guidance through the Office of Fair Trading and its successor from April 2014, the Financial Conduct Authority.
- We are also working with industry and regulators to clamp down on the advertising of payday loans, making sure consumers are not encouraged to take out a payday loan when it is not right for them.
- Furthermore, from April 2014, we are introducing a new consumer credit regulatory regime which will be equipped to deliver more robust consumer protection, weed out rogue lenders, ensure that consumers have the tools to make good borrowing decisions, and provide protection and help for consumers who find themselves in difficulty.

<sup>62</sup> Gibbons D, 2010, *Out of Work and Out of Money*. Manchester City Strategy.

<sup>63</sup> Relate, 1998, Arguments Survey.

<sup>64</sup> The personal planner is available at: <http://stg-secureonline.dwp.gov.uk/universal-credit-preparation/Default.aspx>

<sup>65</sup> Department for Education, 2013, Reform of the National Curriculum in England. Available at: <https://www.education.gov.uk/consultations/index.cfm?action=consultationDetails&consultationId=1881&external=no&menu=1>

# Chapter 5: Delivering Social Justice

## Our ambition

We know that transforming the lives of the most disadvantaged individuals and families is a huge undertaking, in which the resources of central government alone are not enough. Too often, the government approach has been overly prescriptive and overlooked the complexities of social problems at a local level.

To turn our vision for social justice into a reality, we need effective services that challenge the status quo – using innovative delivery mechanisms to harness inspirational community leadership, and building strong partnerships across the public, private, voluntary, and social enterprise sectors.

We must also add to conventional forms of funding, ensuring that payment is focused on the outcomes that programmes are achieving in terms of life change for those in need, in turn driving innovation by basing returns on results. Social investment offers a hugely exciting opportunity to do this. By growing the social investment market we can unlock new funding streams motivated by social as well as financial returns, bringing the resources and the rigour of the private sector to bear on tackling entrenched disadvantage.

### Key Indicator 7: The social investment market

We have commissioned a survey to measure the size of the social investment market in the UK. This survey will show the latest position on the size of the market and will be published as an update to the supporting document for the Social Justice Outcomes Framework in due course.

Social Investment is a growth area. A recent survey predicted that the demand for social investment could rise from £165 million in 2011 to a potential demand of £1 billion by 2016.<sup>66</sup>

For more detailed information about these indicators, see *Social Justice Outcomes Framework April 2013*<sup>67</sup> and *Progress on commitments in Social Justice: transforming lives*<sup>68</sup>.

## Our strategy

We know from the many local projects already underway that new approaches to designing and funding public services – such as early intervention, strong partnership working and improved local commissioning – are producing better outcomes for individuals and families facing multiple disadvantage.

The UK is now a world leader in social investment, and we are committed to strengthening this position further. We are ensuring investors and local commissioners have access to advice on social finance, so they understand the risks as well as the possible rewards. We are also building an evidence base around what works and for whom – reducing uncertainty and ensuring money can flow to those interventions that get results.

By establishing the right conditions for growth, we hope to see the market flourish – capitalising on investment such as the Big Lottery Fund and Big Society Capital, so that widespread innovative local service provision reaches more of those most in need.

## Progress over the last year – realising our ambition

We are taking bold steps to put in place the right fiscal and regulatory infrastructure, making it as easy as possible for the social investment market to develop.

<sup>66</sup> Boston Consulting Group, 2012, *The first Billion, A forecast of social investment demand*, Big Society Capital.

<sup>67</sup> HM Government, 2013, *Social Justice Outcomes Framework April 2013*, Department for Work and Pensions.

<sup>68</sup> HM Government, 2013, *Progress on commitments in Social Justice: transforming lives*, Department for Work and Pensions.

## Strengthening the social investment market

- The independent Early Intervention Foundation was launched in March 2013 providing authoritative advice for local commissioners, service providers, and potential investors on early intervention measures and the approaches that work best.
- To improve the evidence base needed to attract investment, the voluntary sector, with funding from the Cabinet Office, has launched the ‘Inspiring Impact’ programme, which aims to make high-quality impact measurement the norm for charities, social enterprises, investors, commissioners and foundations by 2022.
- Through the Centre for Social Impact Bonds<sup>69</sup>, we are also providing practical advice and support to those developing Social Impact Bonds.
- We made amendments to the Financial Services Bill to ensure that the regulatory approach takes into account that consumers can have non-financial goals – for example, social goals. We confirmed with the FSA that existing rules do not restrict advised sales of social investment products.
- We will introduce a new tax relief in 2014 to encourage private investment in social enterprise. We will consult on the details of the relief by this summer.
- We have established a new £20 million ‘Social Outcomes Fund’ to top up payments to innovative Social Impact Bonds and payment by results schemes where there are savings for the public sector, but where no single commissioner makes enough direct savings to justify commissioning alone.
- We are helping build the capacity of social ventures to access investment and compete for public service contracts through both the £10 million Investment and Contract Readiness Fund and the £10 million Social Incubator Fund.
- To increase finance for social ventures, by growing a social investment market, we have launched the world’s first social investment institution – Big Society Capital. Big Society Capital has up to £600 million to invest in specialised and sustainable social lenders and funds, who in turn support frontline organisations. Big Society Capital is independent from Government, and became fully operational in April 2012. By January 2013 it had committed £56 million of investment to 20 different projects across the country, as well as providing wider support for the market
- As part of the UK’s G8 presidency this year, the Prime Minister has asked for an event focusing on social investment. This event, on 6 June, is the first to use the G8 platform to discuss social investment. It will provide an opportunity to both showcase the UK’s domestic social investment market and to help start the processes and discussions which will enable the market to operate effectively on a global scale.

<sup>69</sup> See: <http://blogs.cabinetoffice.gov.uk/socialimpactbonds/>

## Putting our strategy into practice

The examples below show how social investment is kickstarting and funding innovative local solutions:

Big Society Capital committed £1 million to the FranchisingWorks Licensing Fund to provide financial support to up to 200 unemployed and financially excluded people in Manchester to help them set up their own franchise businesses. If successful, these businesses could in turn create 800 jobs in disadvantaged communities.

The Investment and Contract Readiness Fund has provided a grant to a social venture called 'Reds10', a social business which supports disadvantaged, young and unemployed people to find jobs on local construction sites whilst helping local authorities, developers and contractors meet their local labour and apprenticeship targets. The grant will help it to scale up its successful London operation into a national social business.

## Championing greater innovation in commissioning and delivery

We are embedding payment by results across Government, so that money is used for a demonstrable purpose and payments are directed to social programmes that deliver meaningful and sustainable outcomes.

- Through the Open Public Services agenda we are decentralising power to the lowest appropriate level and allowing new entrants to the market.<sup>70</sup>
- We have made the UK a world leader in the use of Social Impact Bonds, having now launched 13 in total.
- Through the cutting-edge Innovation Fund, we are piloting 10 Social Impact Bonds to support disadvantaged young people into education, training or employment.
- Over the past year, a range of Social Impact Bonds (SIBs) have been launched locally to tackle a diverse array of social problems including: the Rough Sleeper SIB<sup>71</sup> and the Essex Council SIB designed to reduce the number of adolescents at risk of going into care through multi-systemic therapy.

<sup>70</sup> HM Government, 2012, Open Public Services 2012.

<sup>71</sup> Social Impact Bonds allow commissioners to attract private investors to fund early or preventative action to tackle social problems. If savings are made in the future, then the investor receives a financial return from the Government. Social Impact Bonds allow front-line organisations the opportunity to deliver Payment by Results whilst the risk is taken on by the socially minded investor.

- Since March 2012, we have launched ambitious payment-by-results pilots to improve outcomes for ex-offenders and people who are dependent on drugs or alcohol (see Chapter 4). These focus on longer-term outcomes, delivered through improved partnership working and co-commissioning of services, with providers having considerable freedom to provide tailored solutions.
- Going further, in *Transforming Rehabilitation*,<sup>72</sup> we have announced radical proposals to roll-out payment-by-results approaches across the criminal justice system.

### Local leaders are taking charge of delivery

We are committed to giving communities the knowledge and resources they need in order to tackle social problems at a local level, building on strong leadership and bringing together a range of local services across organisational boundaries and different sectors.

- We have commissioned the Centre for Economic and Social Inclusion to develop and host a Social Justice Toolkit – expected to be available in the summer – which will collate local level data from a range of sources and provide communities with independent, detailed information which is directly applicable to social justice issues in their area.
- The Big Lottery Fund is investing £100 million over the next five to eight years, joining up services in up to 15 areas of England to offer people with multiple and complex needs holistic support, guided by advice from service users.
- Through Whole-Place Community Budgets, initially piloted in four areas, we are working with local areas to co-design solutions for a more unified approach to public service delivery in areas such as health, criminal justice, skills and worklessness. With the pilots' business cases collectively suggesting net savings of £800 million over five years when fully implemented, the four areas are now developing implementation plans to show they can both deliver the savings envisaged and be rolled out on a larger scale.
- The Local Government Association, working with the Whole-Place Community Budget pilot areas and the Department for Communities and Local Government, has published a guide capturing the learning from the pilots that will help new areas to adopt similar, far-reaching public service reforms.

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<sup>72</sup> Ministry of Justice, 2013, *Transforming Rehabilitation – A revolution in the way we manage offenders*, January 2013, Consultation Paper CP1/2013.

### Putting our Strategy Into Practice: Working together to transform lives

As the case study of Stephen and his family below shows, when local leadership inspires public service providers to work together we can help families to overcome the most difficult problems they face:

#### **Stephen: “Without this support, I’m not sure our family would still be together.”**

Stephen was 25 when he developed serious health problems that meant he had to stop working. He and his wife had four young children, and they found it increasingly difficult to cope with little money to live on. The children were also struggling at school and had started to truant. “Things were looking grim,” recalls Stephen, “We were at risk of losing the children. It was such a low point in our lives.”

Social services stepped in and referred Stephen to the local Family and Parenting team. This team brings together different services and is located together, allowing them to deliver or signpost families to intensive intervention to overcome barriers such as housing, domestic violence, education issues, health issues, and employment and benefit issues.

George, a Family Adviser working for the Department for Work and Pensions, says: “Because we’re a team that can help families with multiple barriers, we can offer a wrap-around service. So if they’ve got issues with debt, eviction or anti-social behaviour, the team will support them. I also [...] support them with building their confidence, motivation and job goals.”

Stephen was given support to get back to work, including encouragement to start volunteering as a way to improve his CV, gain experience and get back into a working routine. As Stephen explains: “With that and the support the family received, I saw light at the end of the tunnel.”

Stephen and his family are now back on track. Just two years on from first needing support, Stephen has a job and the family is much happier. During Christmas 2011, Stephen’s family were receiving donations from a local charity. In Christmas 2012, he was in full paid employment, working for the same charity to deliver donations to other families in need. His wife has also started volunteering and the children’s attendance at school has vastly improved. “What a fantastic role model I am now for the children,” beams Stephen, “we’ve got really high hopes for the future.”

## Chapter 6: Conclusion

This progress report demonstrates our unswerving determination to achieve the aim set out a year ago – to transform the lives of the most disadvantaged individuals and families.

As the Report sets out, delivering this aim has required a complete cultural shift in how the Government tackles social problems: an unrelenting focus on preventing problems arising in the first place; giving people the support they need to make transformational changes to their own lives when problems arise; and spearheading new multi-agency, outcome-focused approaches in order to address problems in the round.

Over the past year, this radical new approach has been put into practice. The roll-out of payment by results shows just how far we are revolutionising the delivery of services for the most vulnerable. There are now over 30 different schemes and pilots up and running, where providers are paid at least in part for the outcomes they achieve in improving people's lives. The UK is now also the world leader in social investment and has launched 13 Social Impact Bonds – with the demand for social investment predicted to rise to £1 billion by 2016.

Most importantly of all, this change in approach is translating into meaningful life change for people across the country. Already, the lives of over 1,600 troubled families have been changed for the better, just over 5,000 disadvantaged young people are being supported into education, training or employment, and around 6,000 prison leavers have received help through the Work Programme from the day they were released. As our personal case studies show, numbers on a page in this Report equate to real tangible improvements in the daily life and future prospects of the individuals involved.

In total, this report outlines substantial progress against over 100 commitments set out in *Social Justice: transforming lives*. This is a strong and positive start.

Yet there is still more to be done. We will know we are succeeding when, over time, we see progress against our seven Key Indicators:

1. Reducing the proportion of children affected by family breakdown.
2. Closing the attainment gap so that children from disadvantaged backgrounds are equally as able to realise their educational potential as their more advantaged peers.
3. Reducing the reoffending rate for young people.
4. Reducing the proportion of the working-age population who are currently assessed as being capable of work or work-related activity, but who are claiming working-age benefits and have been for at least three out of the past four years.

5. Increasing the proportion of those first entering drug or alcohol treatment over a three year period, who had: exited successfully by the end of that period; achieved employment; not been convicted of a criminal offence; or achieved all three of these outcomes.
6. Increasing both the proportion of adults who do not go on to reoffend over a 12 month period, and the proportion of adult offenders who are in work 12 months later.
7. Growing the size of the social investment market, and increasing the effectiveness of organisations working with disadvantaged groups by drawing in social finance.

To achieve this in the years ahead, we will continue to strive for further systemic change, developing innovative solutions that challenge the status quo and address the underlying causes of poverty. We will continue to drive change at the heart of government, as well as working with local authorities, community and voluntary organisations, and social entrepreneurs, to change the way that we think about and help the families and individuals most in need. In doing so, we will make social justice a reality for everyone in the United Kingdom.



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